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**General Assembly
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operational activities for development of the
United Nations system****Economic and Social Council
2014 session****Item 6 (a) of the provisional agenda*
Operational activities of the United Nations
for international development cooperation:
follow up to policy recommendations of the
General Assembly and the Council****Implementation of General Assembly resolution 67/226 on
the quadrennial comprehensive policy review of operational
activities for development of the United Nations system****Report of the Secretary-General***Summary*

In response to General Assembly resolution 67/226, the present report^a provides an overview of the results achieved, as well as measures and processes implemented in the follow-up to the quadrennial comprehensive policy review by the end of 2013. For the first time, this report integrates both the analysis of the funding of United Nations operational activities for development and the implementation of the quadrennial comprehensive policy review as requested by the Economic and Social Council in its resolution 2013/5.

As requested by the Economic and Social Council in its resolution 2013/5, a new single, coherent and comprehensive monitoring and reporting framework on the quadrennial comprehensive policy review was developed with full ownership by the United Nations development system. Several United Nations entities have aligned their new strategic plans with the quadrennial comprehensive policy review both in timing and content. There was generally good progress on many mandates of the quadrennial comprehensive policy review resolution, though it was uneven in some areas relating to the coherent and effective functioning of the United Nations development system.

* E/2014/1/Rev.1, annex II.



Total global official development assistance (ODA) continues to be outgrown by other forms of financial flows to developing countries, with the share to the United Nations operational activities for development constituting only 17 per cent of total global ODA, at \$23.9 billion. Of this share, core contributions to United Nations operational activities for development currently stands at \$6.7 billion, or 28 per cent, thus further highlighting crucial issues around critical mass and cost recovery.

The present report highlights that effective follow-up to the quadrennial comprehensive policy review needs to be situated in the evolving post-2015 development agenda, and that there is need for an internal reflection by the United Nations development system on policy coherence and fit for purpose in the context of the changes in the overall global environment and the new development cooperation landscape. Recent intergovernmental processes, including the establishment of the high-level political forum on sustainable development and the strengthening of the Economic and Social Council, have also charted courses of action to improve system-wide coherence in policy and implementation.

^a The late submission of the present report was due to the extensive consultations with the United Nations development system and the exceptional efforts needed to collect data as a result of the change of the timing of the Economic and Social Council operational activities segment, where this report will be considered.

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Abbreviations

APEC	Asia Pacific Economic Cooperation
CEB	United Nations System Chief Executives Board for Coordination
ESCAP	Economic and Social Commission for Asia and the Pacific
ESCWA	Economic and Social Commission for Western Asia
FAO	Food and Agriculture Organization of the United Nations
GEF	Global Environment Facility
ICT	Information and communications technology
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
ODA	Official development assistance
OECD/DAC	Organization for Economic Cooperation and Development/Development Assistance Committee
OIOS	Office of Internal Oversight Services
UNDAF	United Nations Development Assistance Framework
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UN-Habitat	United Nations Human Settlements Programme
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
WFP	World Food Programme
WHO	World Health Organization

I. Introduction

1. The present report is submitted pursuant to the request of the General Assembly to the Secretary-General to submit to the Economic and Social Council at its substantive session in 2013, 2014 and 2015 analytical reports on results achieved and measures and processes implemented in follow-up to General Assembly resolution 67/226 on the quadrennial comprehensive policy review, with a view to ensuring its full implementation.

2. The General Assembly, in its resolution 67/226, emphasized the importance attached by Member States to enhanced system-wide coherence as a strategy for improving the effectiveness of the United Nations development system as a whole. It sets new standards in terms of assessing the effectiveness, the efficiency and the coherence of the United Nations operational activities for development. With the recent resolution, the General Assembly has formulated a strategic direction for the United Nations development system that includes both what needs to be achieved and how United Nations entities will need to function in order to successfully support programme countries in a changing development landscape. There is also a strong intergovernmental recognition of the "Delivering as one" model, though it remains a voluntary nationally led option. In a number of areas the General Assembly has requested the funds and programmes to implement decisions through time-bound actions, requiring United Nations entities and inter-agency mechanisms to ensure timely and full implementation. The present report pays special attention to the implementation of the time-bound requests of the quadrennial comprehensive policy review.

3. Several key steps have been taken to improve the effectiveness, the efficiency, the coherence, the relevance and the impact of United Nations operational activities for development.

4. At the intergovernmental level, the General Assembly endorsed far-reaching measures to strengthen the Economic and Social Council, including, among others, changing the timing of the operational activities segment. These measures aim to enable the Council to better provide overall coordination and guidance for operational development funds and programmes on a system-wide basis, including objectives, priorities and strategies in the implementation of the policies formulated by the General Assembly.

5. In response to the request of the Economic and Social Council in its resolution 2013/5, a new single coherent quadrennial comprehensive policy review monitoring and reporting framework has been developed by the Department of Economic and Social Affairs, UNDG and other United Nations entities, with full ownership by the United Nations development system. The framework contains a set of 99 result-oriented indicators that respond to the General Assembly request for actions, including those with detailed timelines. It has direct linkages to the new strategic plans of the funds and programmes, which have been aligned with the quadrennial comprehensive policy review. With the implementation of the quadrennial comprehensive policy review monitoring and reporting framework, the United Nations development system is preparing to measure its progress and report on the basis of system-wide agreed indicators, which will enable to provide concrete information on the results achieved, as requested by the Assembly in its resolution 67/226.

6. In response to Economic and Social Council resolution 2013/5, the full analysis of funding of United Nations operational activities for development has been merged into this report.

7. Total contributions to operational activities for development of the United Nations system in 2012 amounted to some \$23.9 billion. The United Nations system remains the largest multilateral partner, with 17 per cent of total official development assistance. Longer-term funding trends look positive, with contributions having nearly doubled in real terms over the past 15-year period, with increased funding by multilateral organizations and non-governmental and private sources being the most significant funding trend during this period. Nonetheless, overall, the funding environment in which United Nations operational activities for development take place remains challenging, especially as almost all of this growth was in the form of non-core resources. The core ratio for United Nations operational activities for development actually declined from 48 per cent in 1997 to 28 per cent in 2012, thus making the issues around cost recovery and critical mass even more crucial. In addition, funding for United Nations operational activities for development and overall ODA has stagnated since 2009.

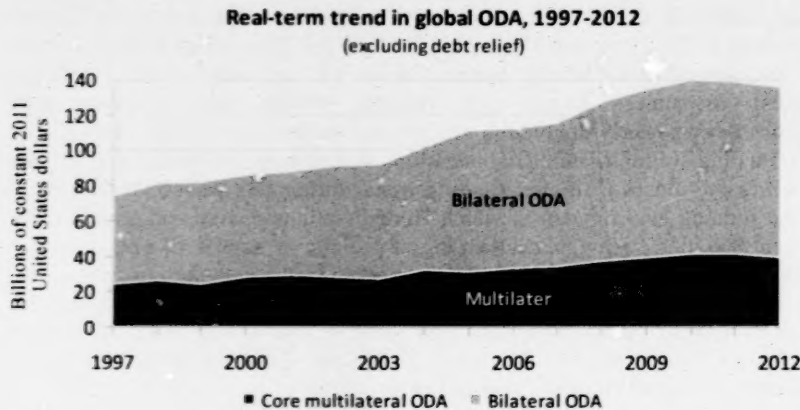
8. The General Assembly, in its resolution 68/1, decided to hold the Economic and Social Council operational activities segment immediately after the first regular sessions of the executive boards of United Nations funds and programmes in order to strengthen the guidance of the Economic and Social Council to the United Nations development system. Because of the change in cycle, this report was prepared on the basis of limited information available for this short timeframe. The report captures progress achieved and challenges encountered in implementing the quadrennial comprehensive policy review since the last report of the Secretary-General on the review was submitted to the Economic and Social Council in July 2013 (E/2013/94), on the basis of light reports of UNDG and the High-level Committee on Management on their activities. A more comprehensive report informed by surveys, thematic studies and other sources of information will be submitted in subsequent years.

II. Funding of operational activities of the United Nations system for development

9. In response to Economic and Social Council resolution 2013/5, the full analysis of funding of United Nations operational activities for development has, for the first time, been merged into this report.

10. Figure 1 below shows that total global ODA increased steadily in the period 1997 to 2010 in real terms. However, ODA decreased for the second straight year in 2012. This is the first time since the 1996-1997 period that ODA has declined in two consecutive years. The recent decrease in overall development aid has also negatively impacted contributions to United Nations operational activities for development.

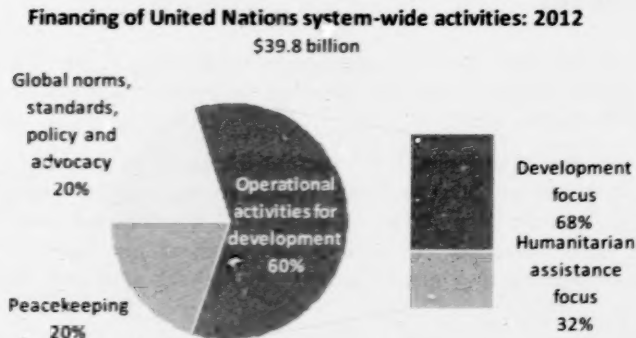
Figure I
Real-term trend in global ODA, 1997-2012
(excluding debt relief)



11. Operational activities for development are activities that United Nations entities carry out for the promotion of development as the primary objective. A number of entities have specific mandates in this regard. United Nations operational activities for development cover both longer-term development activities and those with a shorter-term humanitarian focus.

12. As reflected in figure II below, United Nations operational activities for development in 2012 accounted for about 60 per cent (\$23.9 billion) of all United Nations system-wide activities (\$39.8 billion). Peacekeeping operations accounted for 20 per cent (\$7.9 billion) and the global norm and standard-setting, policy and advocacy functions of the United Nations system accounted for another 20 per cent (\$8.0 billion).

Figure II
Financing of United Nations system-wide activities: 2012



13. United Nations operational activities for development is funded by a combination of so-called core and non-core resources. Core resources are those resources that are allocated without restrictions. Their use and application are

directly linked to the United Nations entities' multilateral mandates and strategic plans that are approved by the respective governing bodies as part of an established intergovernmental process. In contrast, and as determined by the contributors, non-core resources are mostly earmarked and thus restricted in their use and application. In some instances governing bodies formally approve the use of core resources while "taking note" of the use of non-core resources.

14. Core or unrestricted aid is generally seen as the most efficient way of building relevant and effective partnerships with programme countries in the delivery of operational activities for development. Core resources provide the highest quality, flexibility and efficiency of pooled funding. They are critical for ensuring that entities have adequate capacity to deliver on their multilateral mandates and provide continued substantive leadership and innovation around specific goals, advocacy and policy work in addition to programmatic implementation on the ground. Core resources are central to ensuring the independence, neutrality and role of the United Nations development system as a trusted partner in a rapidly changing development cooperation landscape. As the General Assembly noted in its resolution 67/226, while non-core resources represent an important contribution to the overall resource base of the United Nations development system and complement core resources to support operational activities for development, non-core resources pose challenges. In particular, restricted earmarked funding can contribute to risks of fragmentation, competition and overlap among entities.

15. Some 8 per cent of non-core resources are in the form of so-called local resources, which are resources that programme countries contribute to entities for programming in their country. Whenever so indicated and deemed appropriate, this component is excluded in some of the analyses presented in this report.

16. The change in accounting standards in 2012 from the United Nations system accounting standards to the International Public Sector Accounting Standards (IPSAS) by a number of entities¹ does not at this stage allow for meaningful comparisons between 2011 and 2012. For instance, under IPSAS, revenue is recorded at the earlier of either cash received or signature of a formal agreement with the donor. Accordingly, and as an example, more revenue may have been recorded in 2012 than would have been under the United Nations system accounting standards. In order to minimize the impact of the introduction of IPSAS on trend analysis, medium and longer-term trends will be used as the basis of the analysis in this section, rather than focusing on changes from 2011 to 2012. The adoption of IPSAS is a United Nations system-wide initiative in the context of the reform of United Nations management practices and the improvement of transparency and accountability.

17. Annex I to the present report contains a technical note on issues and challenges pertaining to system-wide reporting on funding flows. These relate to the use of terminology, sources and coverage, as well as comparability of data and information between the different United Nations entities. Annex III to the 2013 report of the Secretary-General on funding (A/68/97-E/2013/87) looked at the differences in the way the United Nations system and OECD/DAC report on core

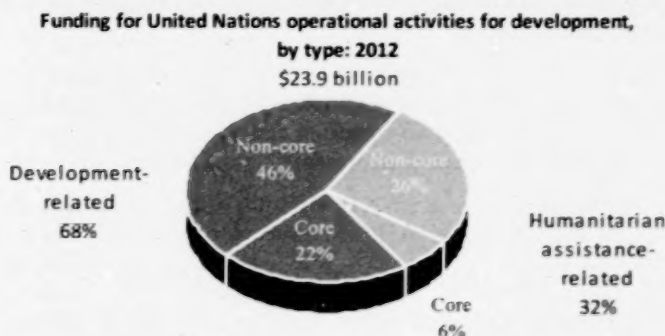
¹ ILO, UNDP, UNICEF, UNFPA, UNHCR, UNICEF, UNOPS, UNRWA, UN-Women and WHO, which together accounted for about 65 per cent of total contributions to United Nations operational activities for development in 2012.

and non-core contributions and expenditures for United Nations operational activities for development.

A. Contributions

18. Total funding for operational activities for development of the United Nations system amounted to \$23.9 billion in 2012. About two thirds (\$16.2 billion) of that amount was directed towards development-related activities, with the other one third (\$7.7 billion) spent on humanitarian assistance-related activities (see figure III below). Some 68 per cent of development-related contributions and 81 per cent of humanitarian assistance-related contributions were non-core and thus earmarked. The General Assembly, in its resolution 67/226, emphasized that increasing funding, and core resources in particular, is key to achieving the internationally agreed development goals, and recognized the need for United Nations entities, jointly with Member States, to address the imbalance between core and non-core resources (see annex II, indicators 1 and 8).

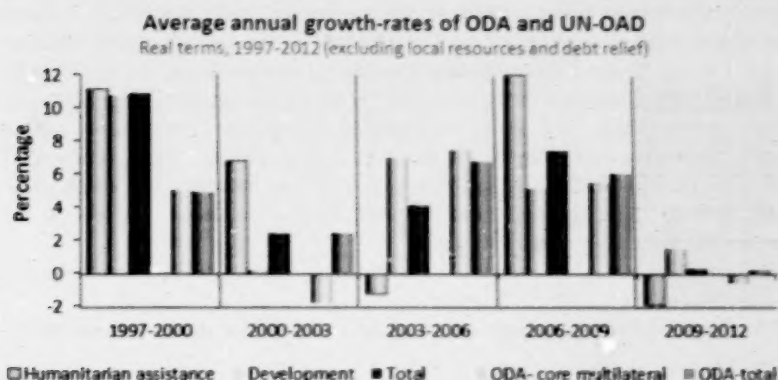
Figure III
Funding for United Nations operational activities for development by type: 2012



Trends in contributions

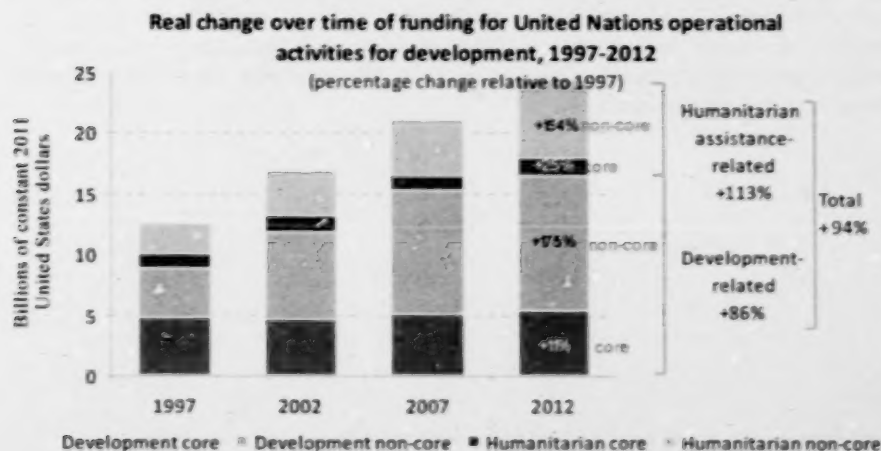
19. From a financial perspective, total funding for United Nations operational activities for development (excluding local resources) was equivalent to some 17 per cent of OECD/DAC-reported total ODA flows (excluding debt relief) in 2012. Figure IV compares average annual real terms growth rates of total United Nations operational activities for development and its development- and humanitarian assistance-related components with those of total ODA and core multilateral ODA. The figure shows that in the most recent three-year period, corresponding to the aftermath of the global financial crisis, the growth rate of both funding for United Nations operational activities for development and total ODA has stagnated. This is in stark contrast to the robust growth experienced in the years leading up to the global financial crisis.

Figure IV
Average annual growth-rates of ODA and United Nations operational activities for development



20. The longer-term picture has been more positive in terms of funding for both development and humanitarian assistance-related activities of the United Nations system. Total funding nearly doubled in real terms between 1997 and 2012, with non-core contributions increasing by more than two-and-a-half times the 1997 level (see figure V below). However, growth in core resources has been negligible compared to growth in non-core resources. This development, the consequent imbalance between the two sources of financing and the adequate cost recovery of institutional support to non-core financed activities are central to the discussion on achieving results and the critical mass required for United Nations entities to maintain and continually develop capacities to deliver on their multilateral mandates, including through core programme activities on the ground (see paras. 39 and 40).

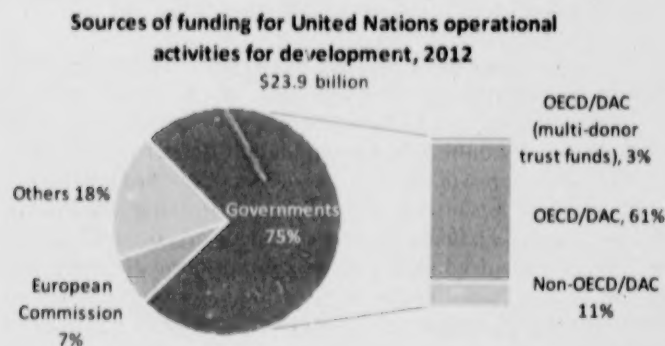
Figure V
Real change over time of funding for United Nations operational activities for development, 1997-2012



Sources of contributions

21. Some three quarters of total contributions in 2012 were made directly by Governments, both DAC and non-DAC (see figure VI below). This includes the contributions made to the United Nations multi-donor trust funds, which are covered by the fund administration services of the UNDP Multi-Partner Trust Fund Office on behalf of the United Nations development system.² The remaining 25 per cent is accounted for by the European Commission and by non-governmental organizations, public-private partnerships and other multilateral institutions (including global funds), which themselves are mostly financed by Governments. These sources of funding have increased significantly over the past 15 years both in terms of absolute quantity and relative share of total funding, indicating a broadening of the donor base (see annex II, indicators 6 and 7).

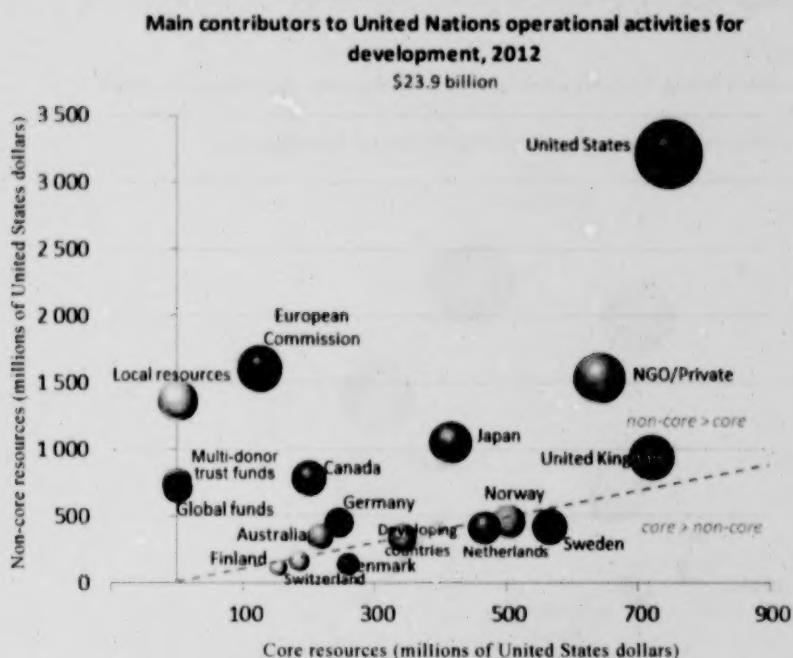
Figure VI
Sources of funding for United Nations operational activities for development, 2012



22. A complete list of contributions by donor, type of activity (development- and humanitarian assistance-related) and type of funding (core and non-core) is provided in table A-3 of the online statistical annex (available at www.un.org/en/development/desa/oesc/qcpr.shtml). Figure VII below shows this information for the group of main contributors that together account for 93 per cent of total funding. Information on individual donors excludes their contributions to multi-donor trust funds, the European Commission and other multilateral institutions (including global funds), which themselves are mostly financed by DAC Governments. These are combined into groups and shown separately.

² Multi-donor trust funds were 98 per cent financed by DAC Governments in 2012 and are reflected separately.

Figure VII
Main contributors to United Nations operational activities for development, 2012



23. Total contributions from non-OECD/DAC member countries (excluding local resources) amounted to \$1.2 billion in 2012 and increased by some 75 per cent over the last five years in nominal terms. About 40 per cent of this funding was in the form of core contributions. These contributions to United Nations operational activities for development are equivalent to some 9 per cent of the estimated \$13 billion total South-South development cooperation, which is directed towards technical cooperation and capacity-building initiatives³ (see annex II, indicator 5).

United Nations entities

24. Funding for operational activities for development is concentrated in a relatively small number of United Nations entities, with the top 10 (UNDP, WFP, UNICEF, WHO, UNHCR, FAO, UNRWA, UNFPA, IFAD and UNESCO) accounting for 88 per cent of all contributions in 2012.⁴ The non-core component of funding for all main entities, except for UNRWA and IFAD, exceeds the core component, sometimes by a significant margin. Consequently, the sustainability of

³ In the context of the preparation of the 2014 report of the Department of Economic and Social Affairs on international development cooperation, the United Nations Secretariat has estimated total South-South development cooperation to have been between \$16.1 billion and \$19.0 billion in 2011, of which 75 per cent was focused on technical cooperation and capacity-building initiatives.

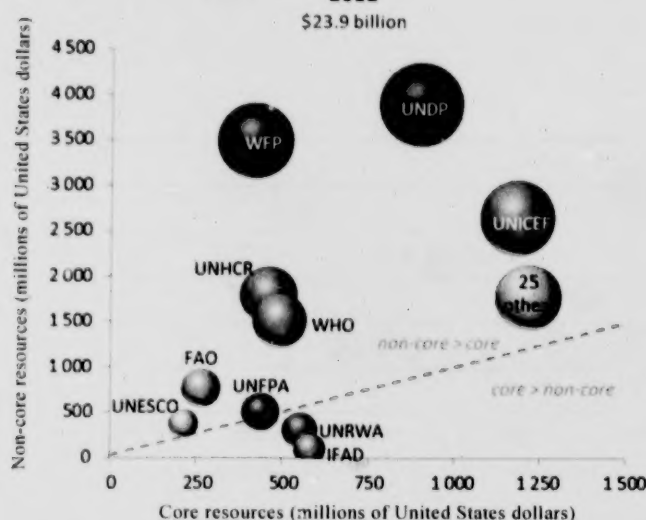
⁴ Although WFP does not have a core budget, it received some \$419 million in flexible, unearmarked funding in 2012, which for the purposes of this report is considered core resources and therefore reflected in figure VIII.

the results intended to be achieved by the strategic plans is compromised, and the flexibility required by entities to dynamically respond to the changing needs and priorities of programme countries is curtailed (see figure VIII below).

Figure VIII

Entities with United Nations operational activities for development, 2012

Entities with United Nations operational activities for development, 2012

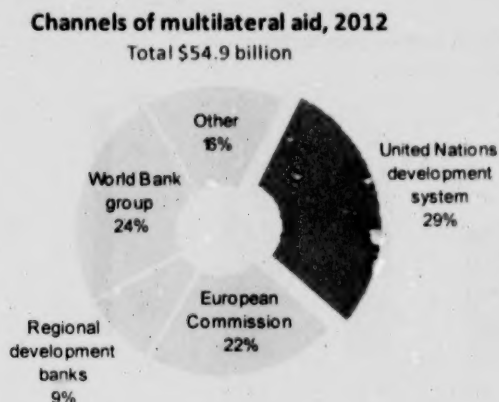


25. Dialogues on improving the quality of funding took place in 2013 at the governing bodies of funds, programmes and some specialized agencies as a part of the discussions on integrated budgets of the strategic plans (2014-2017). Such dialogues will further continue in the governing bodies of funds and programmes and specialized agencies in 2014. A full list of contributions over the past seven years, by entity and type of funding (core and non-core), is provided in table A-2 of the online statistical annex.

Share of OECD/DAC multilateral aid and total ODA

26. The General Assembly, in its resolution 67/226, stressed the need to make the United Nations development system more relevant. The United Nations development system remains the single largest channel for direct multilateral funding as reported by OECD/DAC. However, this share declined from 33 per cent in 2009 to 29 per cent in 2012 (see figure IX below).

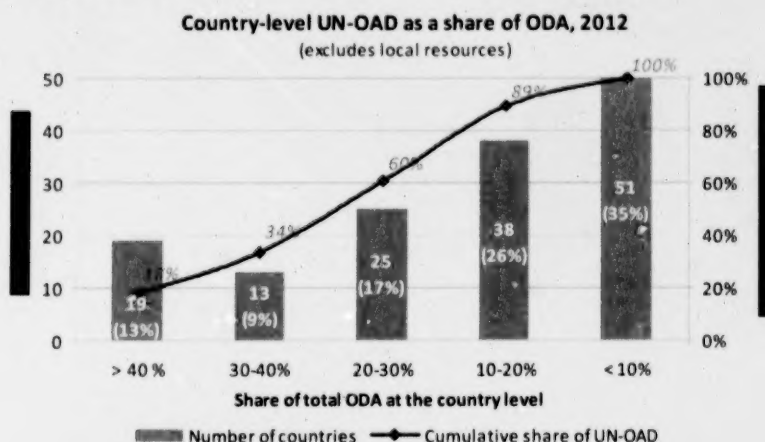
Figure IX
Channels of multilateral aid, 2012



27. A comparative analysis of total United Nations operational activities for development and total ODA at the country level (see figure X below) shows that United Nations operational activities for development (excluding local resources) accounted for more than 40 per cent of total ODA in 19, or 13 per cent of, programme countries in 2012. These 19 countries combined accounted for some 18 per cent of total country-level United Nations operational activities for development. At the other end of the spectrum, United Nations operational activities for development accounted for less than 10 per cent of total ODA in 51 programme countries. This group of 51 countries accounted for some 11 per cent of total country-level United Nations operational activities for development. Out of these 51 countries, 43 are classified by the World Bank as middle-income countries. Most of United Nations operational activities for development (55 per cent) were in programme countries where United Nations operational activities for development accounted for between 10 and 30 per cent of total ODA.

28. From a funding perspective, the United Nations development system appears to be more relevant in least developed countries than in programme countries in general. In 84 per cent of least developed countries United Nations operational activities for development accounts for at least 10 per cent of total ODA, compared to 56 per cent of other programme countries.

Figure X
Country-level United Nations operational activities for development as a share of ODA, 2012



29. It is important to note that the information provided illustrates the combined financial flows of the entire United Nations development system. On average, 15 different United Nations entities operate in low and low-middle income countries and, as shown in figure X, in many cases still amount to under 10 per cent of total ODA in a country.

B. Expenditures

Overview of expenditures

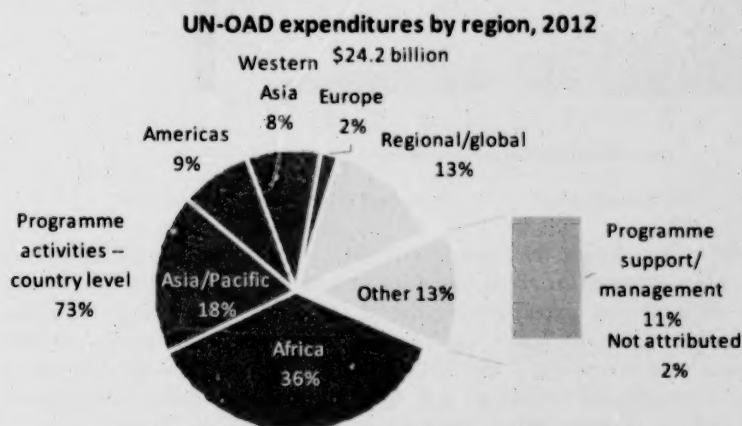
30. Table 1 below provides an overview of expenditures over the period 2007-2012 by total and by type of activities (development-related and humanitarian assistance-related). Development-related expenditures grew by some 15 per cent in real terms, or 4 per cent annually on average, between 2007 and 2012, with the most significant annual increase (15 per cent in real terms) recorded in 2009. This illustrates that the United Nations development system is able to sizably scale up its operations when called upon by the international community to do so.

Table 1
Expenditures on operational activities for development, 2007-2012

	Current United States dollars (billions)						Percentage change 2007-2012	
	2007	2008	2009	2010	2011	2012	Nominal terms	Real terms
Development related	13.1	13.9	15.7	16.3	17.2	16.2	23	15
Humanitarian assistance related	5.2	6.6	7.1	7.5	7.9	8.0	53	42
Total expenditures	18.4	20.5	22.8	23.9	25.1	24.2	32	22

31. Some 73 per cent of the \$24.2 billion in expenditures for United Nations operational activities for development in 2012 concerned programme activities at the country level, of which 49 per cent, or \$8.7 billion, were in Africa. Accordingly, some 27 per cent of total expenditures concerned programme activities at the regional and global levels, programme support and management, and activities that could not be attributed to any of the above categories. Programme support and management costs are those that in quadrennial comprehensive policy review-related discussions on cost recovery have been referred to as non-programme costs.

Figure XI
United Nations operational activities for development expenditures by region, 2012

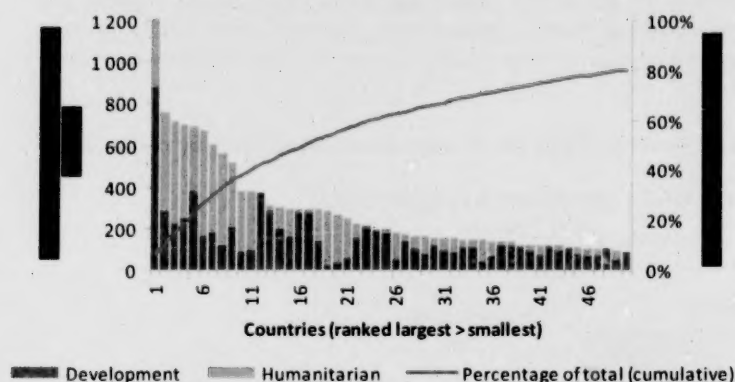


32. Figure XII below shows the distribution and degree of concentration of 2012 country-level programme expenditures, development- and humanitarian assistance-related, among the top 50 programme countries. These together accounted for 80 per cent of total programme expenditures, and the top three programme countries⁵ accounted for some 15 per cent.

⁵ Afghanistan, the Sudan (some of which may have been spent in South Sudan, which became independent in mid-2012), Democratic Republic of the Congo.

Figure XII
United Nations operational activities for development expenditures in the top 50 programme countries, 2012

UN-OAD expenditures in the top 50 programme countries, 2012



33. Figure XII also shows that, while overall expenditures on humanitarian assistance activities account for about one third of total United Nations operational activities for development expenditures, the countries with the largest United Nations programmes generally had a much larger humanitarian component. Of the 10 largest programme countries, 7 are part of the World Bank group of States in fragile and conflict-affected situations that face particularly severe development challenges. A full list of programme expenditures by programme country, type of activity (development- and humanitarian assistance-related) and type of funding (core and non-core) is provided in table B-2 of the online statistical annex.

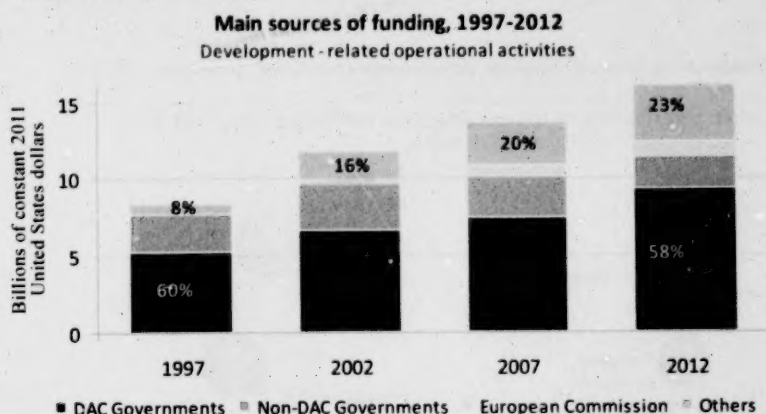
C. Development-related activities

34. Figure IV provided a general overview of the real term growth of funding for United Nations operational activities for development over the period between 1997 and 2012, broken down by development- and humanitarian assistance-related activities. The rest of this section will focus on development-related activities in particular, which represent about two thirds of total UN-OAD.

Sources of contributions

35. Figure XIII examines changes in the main sources of financing for development-related activities. By around 2007, four distinct groups of contributors had emerged, which highlighted a broadening of the funding base for development-related United Nations operational activities for development over time.

Figure XIII
Main sources of funding, 1997-2012



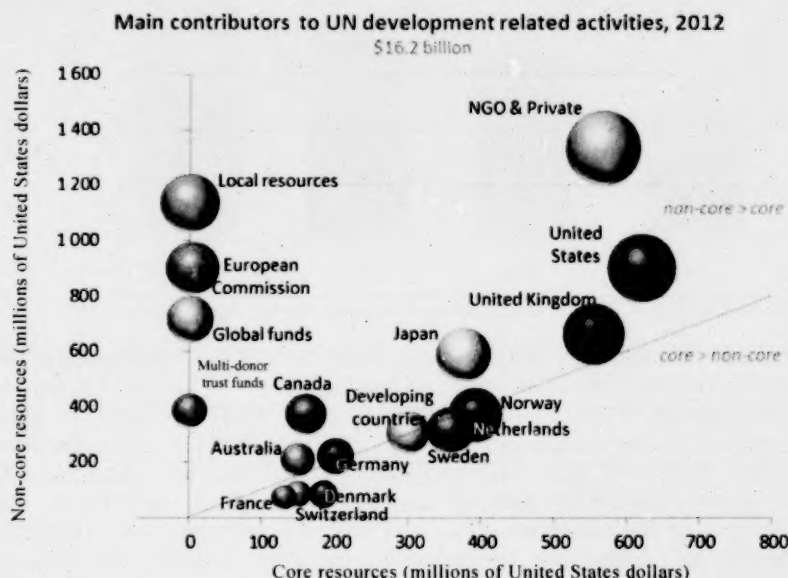
36. Increased funding by multilateral organizations and non-governmental and private sources has been the most significant funding trend over the past 15 years. In 2012, development-related contributions from this group amounted to some \$4.7 billion, with major sources as follows: global funds (\$944 million); European Commission (\$904 million); intergovernmental organizations other than the European Commission (\$717 million); and non-governmental organizations and private sources (\$1,903 million). The latter category includes contributions by UNICEF national committees (estimated to be \$941 million). The General Assembly, in its resolution 67/226, encouraged United Nations funds and programmes to continue to diversify potential sources of funding and emphasized the importance of broadening the donor base in order to reduce the reliance of the United Nations system on a limited number of donors (see annex II, indicators 4-7).

37. In response to General Assembly resolution 67/226, United Nations funds, programmes and specialized agencies have recently developed specific strategies for broadening their donor base with a number of Member States in all regions, including countries with emerging economies with immediate and long-term growth potential. While an increase in core funding remains a priority, contributions from countries towards their own country programmes and private sector partnerships are key elements of the strategies. The extent to which such strategies have been developed and details on the measures taken will be studied in 2014 and set out in the next edition of the present report (see annex II, indicator 12).

38. Similar to figure VI, figure XIV below provides further comparative information on contributions by total and type of funding (core and non-core) by main contributors that together account for 96 per cent of total funding for development-related activities. The core component of contributions by Government donors for development-related activities (excluding contributions to multi-donor trust funds and local resources) was 46 per cent in 2012 (see annex II, indicator 9). This share was about 80 per cent in 1997. This indicates that the global imbalance between core and non-core resources for development-related activities is driven by two main factors: (i) Government donors providing a higher share of their contributions in the form of non-core resources; and (ii) strong growth in funding

from other sources, such as the European Commission and global funds in particular (themselves mostly financed by Governments), which are almost entirely non-core.

Figure XIV
Main contributions to United Nations development-related activities, 2012



Critical mass of core funding

39. The General Assembly, in its resolution 67/226, expressed concern over the lack of progress by governing bodies in the development and operationalization of the concept of the critical mass of core resources and requested the funds and programmes to define common principles for the concept of critical mass of core resources and to present specific proposals to their respective governing bodies by the end of 2013 with a view to decision by 2014. A draft proposal for principles of critical mass of core resources was prepared jointly by UNDP, UNFPA, UNICEF, UN-Women and WFP for a joint informal discussion with the executive boards of UNDP, UNFPA, UNOPS and UNICEF in December 2013. At the time of finalizing the present report, it was expected that there would be further consultations with the executive boards on this issue in 2014.

40. Recent surveys⁶ have concluded that it is possible for the United Nations development system to apply non-core resources effectively to meet needs and priorities at the country level, but that this shift in funding has important implications, both centrally and at the country level, which pose challenges in ensuring full compliance with the overall strategic plans of entities.

⁶ See the 2013 survey of United Nations resident coordinators (question 69), the 2012 survey of United Nations resident coordinators (questions 15 and 16) and the 2012 survey of programme country Governments (question 6).

Predictability of core funding

41. In previous reports of the Secretary-General on funding, elements of predictability, reliability and stability of funding were reviewed for a number of entities by examining actual fluctuations in contributions and the impact thereof on the availability of total resources over time. These analyses looked at trends in contributions to UNDP, UNICEF, UNFPA, FAO, ILO, UNESCO and WHO, which together account for more than 80 per cent of total development-related activities. It was shown that, in general, there was a relatively smooth and stable movement in total core and non-core resources to these entities.

42. A more detailed review shows that the volatility in contributions from top donors is much more pronounced than the changes in total core and non-core contributions. Funding from individual sources can fluctuate considerably from one year to the other, especially in the case of non-core resources. This is illustrated by figures XVa and XVb below. For core resources, 39 per cent of 2011 contributions from main donors had changed by more than 20 per cent compared to 2010, with an increasing trend since 2009. As for non-core resources, 62 per cent of 2011 contributions by main donors changed by more than 20 per cent compared to 2010, without any significant overall trend to be observed.

Figure XVa

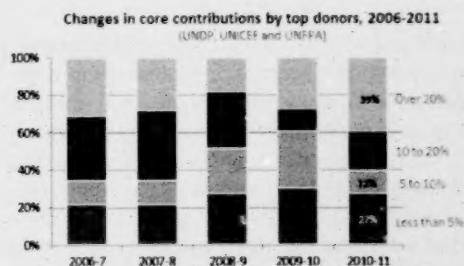
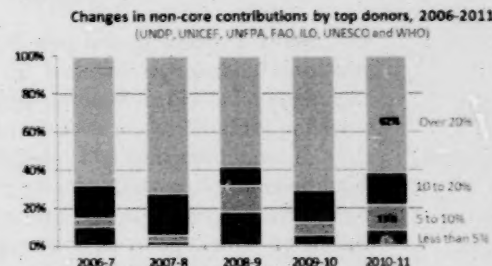


Figure XVb



43. A higher volatility in non-core contributions is not unexpected since the majority of non-core funding remains primarily single-donor and programme- or project-specific (see figure XVII). In some cases, non-core funding relating to multi-year programmes or projects must be secured in advance in the form of formal funding agreements. This can add a considerable degree of predictability and stability at the level of the specific programme or project once the non-core funding agreements have been concluded.

Non-core funding modalities

General

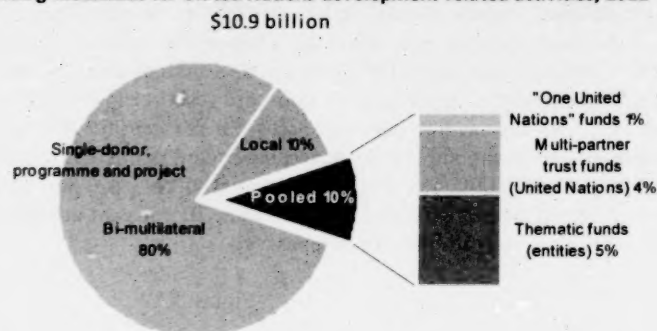
44. In 2012, some 90 per cent of non-core funding for development-related activities, including local resources, was mainly single-donor and programme- and project-specific (see figure XVI below). Contributions to generally more loosely earmarked funding arrangements such as thematic funds of entities and multi-donor trust funds, including "One United Nations" funds, accounted for the remaining 10 per cent of non-core resource flows (see annex II, indicator 10). Furthermore, in a survey of United Nations resident coordinators conducted in 2013, more than four

out of every five respondents estimated that joint programmes that are subject to pooled or pass-through fund management arrangements accounted for less than 20 per cent of all available or committed resources in their programme country (see annex II, indicator 11). The dominance of single-donor and programme- and project-specific contributions, in particular, reflects the high degree of fragmentation of non-core funding.

Figure XVI

Non-core funding modalities for United Nations development-related activities, 2012

Non-core funding modalities for United Nations development-related activities, 2012



45. Many reviews in the past have highlighted that the growth in fragmented non-core funding has resulted in a corresponding increase in transaction costs. Negotiating individual funding agreements and separate programme and financial reporting for hundreds or even thousands of individual projects according to varying sets of requirements add significant costs. Specific support and reporting requirements often fall outside the entities' standard operating systems and managerial processes. In this connection, the adequate recovery of institutional costs associated with support to non-core funded activities has been and continues to be the subject of debate. This is further reviewed later in this section (see paras. 59-73), including with regard to provisions contained in General Assembly resolution 67/226 on the 2012 quadrennial comprehensive policy review.

Multi-donor trust funds and thematic trust funds

46. Both multi-donor trust funds and thematic trust funds are forms of pooled resources and thus a more flexible form of non-core contributions. While the thematic trust funds are specific to and administered by an individual entity, the multi-donor trust funds concern multi-entity operations and are administered by the dedicated fund administration services of the UNDP Multi-Partner Trust Fund Office on behalf of the United Nations development system. The emergence of these two types of funds can be seen as a result of efforts by the international community to promote enhanced aid effectiveness, counterbalancing high fragmentation as a result of the predominantly single donor-and single-programme and project-specific nature of non-core resources flows.

47. Table 2 below provides information on main contributors to multi-donor trust funds in 2012 and main participating United Nations entities based on the amounts that the Multi-Partner Trust Fund Office as administrative agent transferred to them in 2012 for programme implementation (excluding multi-donor trust funds with a

focus on humanitarian assistance activities). UNDP and UNICEF together implement some 39 per cent of activities financed from multi-donor trust funds. In a 2012 survey of programme country Governments, some 70 per cent of respondents agreed that such joint funding mechanisms have led to greater coherence within the United Nations development system. It is therefore a matter of concern that contributions made to these funds decreased by 19 per cent in nominal terms in 2012 compared to 2011 and are 63 per cent below the all-time high of 2009. This contrasts with the trend in contributions to humanitarian-related multi-donor trust funds, with total contributions to common humanitarian funds reaching an all-time high of \$365 million in 2012.

Table 2
Multi-donor trust funds in 2012^a

Rank	Donor	Main contributors		Implementing entities		
		Contributions (million of United States dollars)	Share of total (percentage)	United Nations entity	Transfers received (million of United States dollar)	Share of total (percentage)
1	Norway	77	20	UNDP	142	27
2	United Kingdom	63	17	UNICEF	61	12
3	Canada	48	13	WFP	32	6
4	Netherlands	35	9	UNFPA	30	6
5	Sweden	31	7	FAO	28	5
6	Denmark	25	7	UNOPS	24	5
7	Australia	16	4	UNRWA	22	4
8	Japan	10	3	WHO	20	4
9	Germany	9	2	UN-Women	16	3
10	Finland	9	2	ILO	16	3

^a Excluding multi-donor trust funds with a humanitarian-assistance focus.

"One United Nations" funds

48. "One United Nations" funds are multi-donor trust funds that were established specifically to support the "Delivering as one" pilot initiatives by providing principally unearmarked resources to cover funding gaps in "One United Nations" programmes. "One United Nations" funds represent an innovation to support system-wide coherence of the work of the United Nations development system at the country level. The General Assembly, in its resolution 67/226, recognized the importance of advancing "Delivering as one" and called on Member States to contribute financially to pooled funding mechanisms in "Delivering as one" countries to ensure their expansion.

49. Table 3 shows the amounts channelled through "One United Nations" funds, with an indication of their share of total development-related expenditures of the United Nations development system in the eight "Delivering as one" pilot countries and, combined, in 12 other countries that subsequently adopted the "Delivering as one" approach on a voluntary basis. The share of "One United Nations" funds of development-related expenditures in the eight pilot countries combined was about

9.7 per cent (from as high as 25 per cent in the United Republic of Tanzania to as low as 2 per cent in Uruguay). This represents a notable drop from the 14 per cent share in 2011. Furthermore, contributions to "One United Nations" funds in more than one third of "Delivering as one" countries averaged less than \$1 million per participating United Nations entity. The success of the "One United Nations" funds as part of an integrated funding framework for the United Nations development system has therefore been modest.

Table 3
"One United Nations" funds in 2012

Recipient country	"One United Nations" fund expenditures (in millions of United States dollars)	Total development- related expenditures	"One United Nations" fund share of total (percentage)
Pilot countries			
Albania	4.1	27.8	14.9
Cabo Verde	1.6	20.9	7.8
Mozambique	6.6	119.0	5.6
Pakistan	17.5	285.5	6.1
Rwanda	9.1	91.8	9.9
United Republic of Tanzania	28.8	116.7	24.7
Uruguay	0.6	27.1	2.2
Viet Nam	8.5	100.1	8.5
Subtotal	76.9	788.8	9.7
Non-pilot countries	40.2	613.2	6.6
Total	117.0	1 402.0	8.3

Joint programmes

50. While not a separate type of third-party pooled funding modality, joint programmes can be regarded as a form of pooling of resources by United Nations entities at a next level. A joint programme is a mechanism developed to contribute to making the programme activities of two or more United Nations entities more coherent, effective and efficient. A joint programme is a set of activities contained in a common workplan and related budget, involving two or more United Nations organizations and national or subnational partners.⁷ The workplan and budget form part of a joint programme document, which also details the roles and responsibilities of partners in coordinating and managing the joint activities. The joint programme document is signed by all participating organizations and national or subnational partners. Joint programmes are mostly financed from non-core resources, through any combination of the above-mentioned non-core funding modalities.

51. The 2013 report of the Secretary-General on funding (A/68/97-E/2013/87) reviewed the different types of joint programmes that have been established. This review also estimated that the approximate value of new joint programmes

⁷ See Guidance Note on Joint Programming, UNDG, 2003.

established in 2011 amounted to less than 3 per cent of total funding to United Nations development-related activities. While from a financial perspective the share of contributions that are programmed and managed through joint programmes is not yet significant, it is worth noting that in 2013 contributions to joint programmes through the Multi-Partner Trust Fund Office exceeded contributions to "One United Nations" funds for the first time.

52. UNDG launched, and is finalizing, a number of initiatives aimed at further strengthening the use and management of joint funding mechanisms and approaches in order to improve the quality of non-core resources. For example, it is currently revising guidelines on joint programmes that focus on the application of joint programming modalities at global and country levels. This covers both funding and programmatic aspects. The legal instruments related to joint funding mechanisms are also being revised. The status and trends of joint programmes and pooled funding will continue to be reviewed in the context of future editions of the present report (see annex II, indicators 10 and 11).

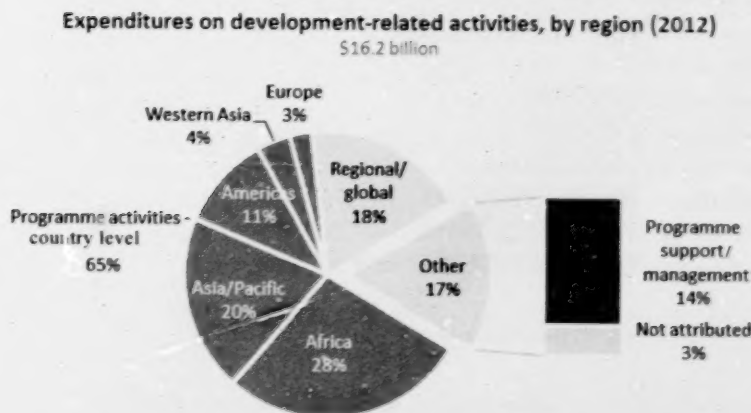
53. Building on the longest experience of the United Nations with joint programmes at the country level, UNAIDS is currently collaborating with UNDG to issue updated guidance on joint United Nations programmes and teams on AIDS that incorporates the latest quadrennial comprehensive policy review requirements and "Delivering as one" lessons learned.

Distribution of resources for development-related activities

54. While figure XI analysed expenditure components for United Nations operational activities for development as a whole, figure XVII shows the analysis for development-related expenditures (including local resources) only. Some \$10.5 billion, or 65 per cent of development-related expenditures in 2012, concerned programme activities at the country level, of which \$4.5 billion were in Africa. Accordingly, some 35 per cent of total expenditures concerned programme activities at the regional and global levels, programme support and management, and activities that could not be attributed to any of the above categories.

Figure XVII

Expenditures on development-related activities, by region (2012)



Development-related programme expenditure by country groupings

55. For review of operational activities for development and development assistance in general, reference is often made to country groupings that are based on certain common attributes and characteristics. Some of the groupings are based on defined, inter-governmentally agreed lists, while others are not. The latter is the case with regard to groupings based on attributes such as conflict/post-conflict, crisis/post-crisis and different forms of transition. The groupings used for analysis in the current report are those that are based on: (a) the 2012 income brackets defined by the World Bank: 36 low-income, 49 lower-middle income and 55 upper-middle income countries; (b) formal United Nations categorizations: 49 least developed countries, 31 landlocked developing countries and 38 small island developing States that are United Nations Member States; (c) informal United Nations categorizations such as 18 integrated mission countries/areas⁸ and the human development index: 47 countries, low human development index rating; and 47 countries, medium human development index rating; and (d) generally accepted categorizations that capture different states of vulnerability: 33 countries in fragile situations (World Bank)⁹ and 47 fragile States (OECD).¹⁰ Groupings generally overlap in that a country can fall in more than one category.

56. Figure XVIII provides an overview of how country-level programme expenditures were distributed among the different country groupings by different income levels (World Bank 2011). Low-income countries accounted for about half of total expenditure. Least developed countries accounted for some 53 per cent of total expenditure, 85 per cent of which were in low-income least developed countries and 14 per cent in lower-middle income least developed countries (see also annex II, indicator 18). Countries with a low human development index rating accounted for some 60 per cent of expenditures, about three quarters of which were in low-income countries.

Figure XVIII

Development-related operational activities by major country groupings, 2012

Development-related operational activities by major country groupings, 2012

\$9.4 billion (excluding local resources)



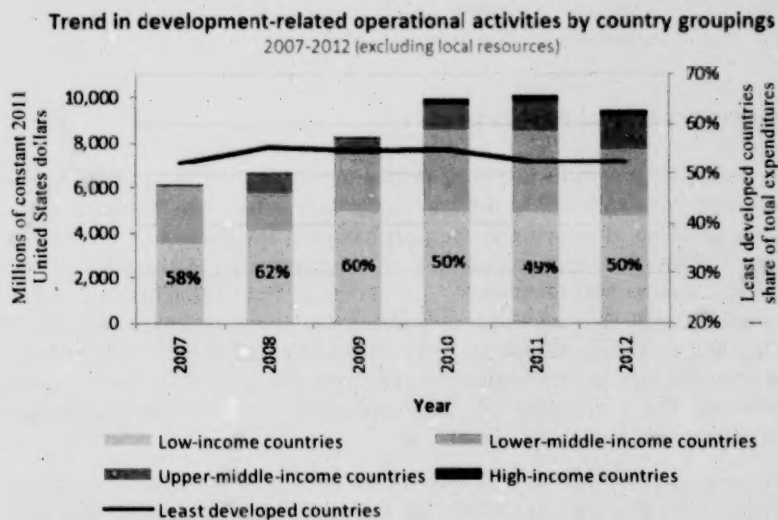
⁸ United Nations peace operations and development activities are pursued in an integrated manner.

⁹ Harmonized list of World Bank, African Development Bank and Asia Development Bank.

¹⁰ Expanded list based on the World Bank list of countries in fragile situations.

57. Figure XIX shows the distribution of development-related activities (excluding local resources) across different income groups and the share spent in least developed countries over the past five years. The share of resources allocated to least developed countries remained fairly even during this time period, at a level of just over half of total development-related expenditures. A different story emerges when viewing the distribution across the World Bank income groupings. The share of expenditures allocated to low-income countries has declined from as high as 62 per cent in 2008 to about 50 per cent in 2012. This trend is not surprising, given that recent estimates indicate that about three quarters of the world's poor population is now concentrated in middle-income countries, compared to just 5 per cent in 1990. Furthermore, a number of programme countries have recently moved from the low-income group to the middle-income groups. Since 2007, some \$1.5 billion, or 16 per cent, of 2012 development-related expenditures spent at the country level has been allocated to the group of 16 countries that have moved to the middle-income group from the low-income group. The shift of the majority of the world's poor away from the world's poorest countries and the increase in inequality in middle-income countries has altered the conventional thinking about development and will undoubtedly impact the role of the United Nations development system in the post-2015 development agenda.

Figure XIX

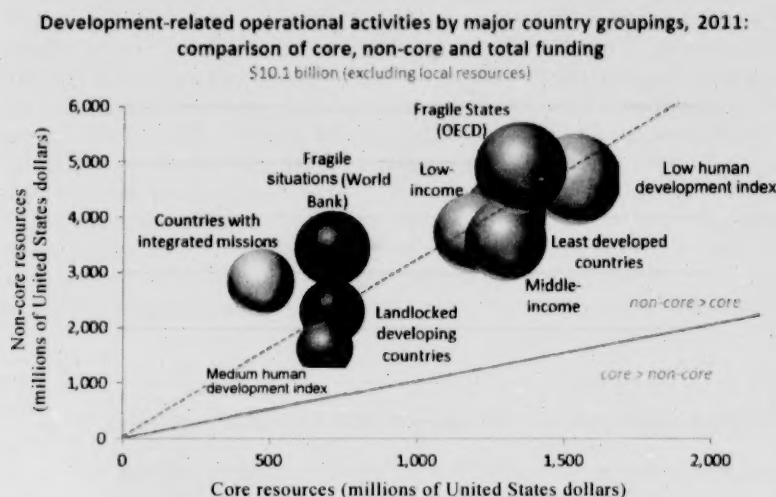
Trend in development-related operational activities by country groupings

58. Figure XX provides a different view of how country-level programme expenditures were distributed among the different country groupings by examining how total expenditures for each group and the two main sources of funding (core and non-core) compare. The figure shows that there is no marked difference between the core/non-core ratio for groupings such as landlocked least developing countries, low-income countries, least developed countries, countries with a low human development index rating and fragile States. The ratio is markedly lower for groupings such as United Nations integrated mission countries/areas and fragile

situation countries (World Bank) and somewhat higher for the medium human development index ranked and middle-income groupings.

Figure XX

**Development-related operational activities by major country groupings, 2011:
comparison of core, non-core and total funding**



D. Non-core resources and cost recovery

59. The exponential growth in non-core funded activities over the past 15 years made the adequate recovery of institutional costs associated with the support to those activities an issue of growing concern. It has been the subject of review by, among others, entities and their governing bodies individually, at the level of the High-level Committee on Management of CEB and as part of comprehensive policy reviews, including the 2012 quadrennial comprehensive policy review. The concern centres on the fact that institutional support (substantive and operational) to non-core funded activities may in fact be subsidized by core resources with a consequent negative effect on the availability of remaining core resources for programme activities, in particular at the country level.

60. Recent reports of the Secretary-General on the funding of operational activities for development have therefore reviewed and analysed non-core funding and cost recovery in more detail.¹¹ These reviews have been based, among other things, on a high-level comparison between the use of core and non-core resources for (a) programme activities (programme costs); and (b) programme support and management activities (non-programme costs).

61. The outcomes of the high-level comparisons thus made since 2010 confirm that there is indeed a significant difference in the distribution of non-programme

¹¹ See A/68/97-E/2013/87, A/67/94-E/2012/80, A/66/79-E/2011/77, A/65/79-E/2010/76.

costs between core and non-core funding sources.¹² Consequently, the remaining shares available for actual programme activities differ greatly. For instance, in 2011, some 66 per cent of core funding for development-related activities was available for programme activities compared to 90 per cent of non-core funding. This difference resulted in an estimated \$719 million in core resources being spent on non-programme costs of non-core funded activities (see A/68/97-E/2013/87).

62. The General Assembly, in its resolution 67/226, requested the executive boards of the funds and programmes, and encouraged the governing bodies of the specialized agencies, "to adopt cost-recovery frameworks by 2013, with a view to their full implementation in 2014, based on the guiding principle of full cost recovery, proportionally, from core and non-core resources, and a simple, transparent and harmonized methodology". It further requested the funds and programmes and urged specialized agencies to include estimated amounts to be recovered in their budgets and to report on actual cost recovery amounts as part of their regular financial reporting. The General Assembly requested the Secretary-General to report on the progress made in the context of his annual report on the funding of operational activities for development.

Figure XXI
Time-bound actions related to funding

UNDS to report to Governing Boards on concrete measures to broaden donor base (OP35):	Target: Reporting at first regular session in 2014 →on track
UNDS to improve communication to general public and inform ECOSOC in annual reports (OP36):	Target: Report to ECOSOC 2013 onwards →in progress
Fs/Ps to define common principles for critical mass of core resources (OP39):	Target: Analysis by end 2013 Target: Decision making by EBs 2014 →in progress
Structured dialogue on how to finance agreed results (OP46):	Target: Dialogue during 2014 →in progress
Governing Bodies to adopt cost-recovery frameworks (OP53):	Target: Framework by end 2013 Target: Full implementation in 2014 →in progress
2013 2014	

¹² It should be noted that WFP was not included in this study as it applies a single, fixed cost-recovery rate for contributions to all programme categories.

UNDP, UNICEF, UNFPA, UN-Women

63. The 2012 quadrennial comprehensive policy review coincided with a review by UNDP, UNICEF, UNFPA and UN-Women of a harmonized cost-recovery rate and calculation methodology as part of a joint road map to the first-ever integrated budgets, which these entities submitted to their executive boards in 2013 and which covered the period 2014-2017 (see DP/FPA/2013/1-E/ICEF/2013/8). These four entities combined account for some 55 per cent of all development-related operational activities (51 per cent of all core and 58 per cent of all non-core resources).

64. The entities proposed to their boards a two-pronged approach to the recovery of institutional non-programme costs as follows: (a) the application of a harmonized 8 per cent cost-recovery rate to cover what they defined as "eligible costs"; and (b) the recovery of all "development effectiveness" costs through direct charges to core and non-core funded programmes and projects. Development effectiveness costs refer to the cost of activities of a policy-advisory, technical and implementation nature that are needed to achieve the objectives of programmes and projects in the focus areas of the organizations.

65. The executive boards of UNDP, UNICEF, UNFPA and UN-Women jointly approved the harmonized methodology for calculating the cost-recovery rates and endorsed a general, harmonized cost-recovery rate of 8 per cent for non-core contributions. This rate will be reviewed in 2016, with the possibility of adjusting it if it is not consistent with the principle of full cost recovery, proportionally from core and non-core funding sources, as mandated by the quadrennial comprehensive policy review of operational activities for development of the United Nations system.

66. The executive boards requested that the entities include in the midterm review of their integrated budgets information on the implementation of the approved cost-recovery rates, including the approved underlying calculation methodology and the inclusion of each cost category; their actual cost-recovery rates for the two previous financial years; and an analysis of compliance with the principle of full cost recovery, funded proportionally from core and non-core resources, as mandated in General Assembly resolution 67/226. The boards further requested that an independent and external assessment be performed in 2016 on the consistency and alignment of the new cost-recovery methodology with General Assembly resolution 67/226.

67. The 2014-2017 integrated budgets estimates for these four entities were submitted to their respective boards in September 2013 and reflect the new harmonized conceptual framework for defining and attributing organizational costs and a new harmonized methodology and rate for calculating non-core cost recovery.¹³ Table 4 below presents a high-level breakdown of the combined integrated resources plans of these four entities. As shown, some 66 per cent of core resources is planned to be spent on programme activities over the next four years (76 per cent on development activities), compared with some 91 per cent of non-core resources (93 per cent on development activities).

¹³ UN-Women's integrated budget spans just two years (2014-15).

68. There appear to be two major reasons for this continued difference. First, not all institutional costs of these entities are being subject to cost-recovery charges. For example, under the new harmonized cost-recovery methodology, critical cross-cutting management functions are to be funded from core resources. Resolution 67/226, which established the guiding principle that the financing of all non-programme costs should be based on full cost recovery, proportionally, from core and non-core funding sources, did not make a provision for such exclusion, although the magnitude of resources needed for critical cross-cutting management functions estimated by each of the four agencies is very small compared to their total use of resources (ranging from \$20 million annually to \$45 million annually based on 2012-2013 budgets). Second, since this is a major change in business, for some of the entities it will take some time before development effectiveness can be fully charged as direct costs to the portfolio of core and non-core resources.

69. The end result is that while the new harmonized cost-recovery frameworks currently being implemented provide improved transparency and comparability of programme and non-programme costs, and also constitute a step forward towards the financing of non-programme costs proportionally from core and non-core funding sources, the attainment of full cost recovery remains a work in progress. The proposed mid-term reviews of the integrated budget, which will include an update on the implementation of the new cost-recovery methodology, will provide an opportunity to review the response to resolution 67/226.

Table 4
High-level breakdown of 2014-2017 integrated resource plans for UNDP, UNICEF, UNFPA and UN-Women

(Millions of United States dollars)

	<i>Development activities</i>			<i>Management and other non-development activities</i>	<i>Total costs</i>
	<i>Programme</i>	<i>Development effectiveness</i>	<i>Total development costs</i>		
Core resources	7 774	1 100	8 874	2 865	11 739
Share (percentage)	66.2	9.4	75.6	24.4	100.0
Non-core resources	30 529	367	30 896	2 460	33 356
Share (percentage)	91.5	1.1	92.6	7.4	100.0
Total resources	38 303	1 467	39 770	5 325	45 094
Share (percentage)	84.9	3.3	88.2	11.8	100.0

Other entities

70. FAO presented a comprehensive report on all aspects of its support cost policy to its Finance Committee in November 2013.¹⁴ The aim of the existing FAO support cost policy is to fully recover “variable indirect costs” associated with providing administrative and operational support services to projects funded by voluntary contributions. This support cost policy was put in place about 15 years ago when some aspects of the environment under which FAO operates were substantially different. Among those changing factors is the higher proportion of non-core

¹⁴ See FC 151/8.

funding of FAO compared with core (assessed) contributions owing to the significant increase in voluntary contributions to its trust funds. Just recently, non-core expenditures exceeded core expenditures for the first time. Those factors have contributed to a significant underrecovery of non-programme costs for projects funded by non-core contributions. FAO intends to take a broad approach to addressing this underrecovery with a view to proposing a comprehensive strategy that would take the evolving operating environments into consideration and harmonize its cost categorization with other United Nations entities to the extent possible. The outcome of that study will be reported to the FAO Finance Committee in 2014.

71. The governing body of WHO has expressed concerns about the adequacy, fairness and transparency of its cost-recovery arrangements, given that the majority of its financing is no longer from assessed contributions but from voluntary contributions. A study was commissioned by the Programme Budget and Administration Committee (a subcommittee of the WHO Executive Board). The study, carried out by an external consulting firm, reported to WHO member States in 2013 with recommendations on the way forward. As a result, WHO is formulating proposals for improvements to its cost-recovery arrangements, notably to ensure full costing within donor voluntary contribution agreements, incorporating both directly charged administration and management costs, and a fair indirect cost allocation. WHO will also ensure a clearer delineation between those costs which are “core” to the running of the organization (stewardship and governance), and those which are more variable depending on the level of programme implementation, for example administrative support and infrastructure costs. The former are proposed in future to be fully financed from within assessed contributions.

72. UNOPS has reviewed its cost-recovery model in the light of the quadrennial comprehensive policy review mandate. UNOPS takes a two-pronged approach to ensure the stability of its self-financing model. First, it consistently attributes direct costs of the organization to projects using activity-based costing. Second, it refined its pricing model for the recovery of indirect costs around relevant cost-drivers associated with the value-added by UNOPS.

73. UNISDR is also developing cost-recovery programmes in its almost exclusively non-core budget. This will enable improved linking of resources and results.

74. As requested by the General Assembly in its resolution 67/226, performance and progress will continue to be reviewed in the context of future editions of the present report and will continue to be based, among other criteria, on the high-level comparison between the use of core and non-core resources for: (a) programme activities; and (b) non-programme activities. This is reflected in the monitoring and reporting framework under indicators 20 and 21.

III. Contribution to national capacity development and development effectiveness

Alignment of strategic plans with the quadrennial comprehensive policy review

75. Funds and programmes responded to the requests of the General Assembly to internalize the quadrennial comprehensive policy review by integrating it into their strategic plans and 14 out of 22 United Nations entities have aligned their strategic plans with the quadrennial comprehensive policy review. For the first time, UNDP,

UNFPA, UNICEF, UNOPS, UN-Women and WFP aligned their respective new strategic plans (2014-2017) with the quadrennial comprehensive policy review, both in timing and in content. A number of specialized agencies have also either voluntarily done so or are taking steps in this regard.

Table 5
Alignment of strategic planning cycles with the quadrennial comprehensive policy review cycle^a

Entity	Strategic planning document	Number of years ^b	Planning cycle		Alignment with quadrennial comprehensive policy review	Annual quadrennial comprehensive policy review reporting to governing body
			Past	Current		
Funds and programmes						
UNDP (including UNV and UNCDF)	Strategic plan	4	2008-2013	2014-2017	Yes	Yes
UNFPA	Strategic plan	4	2008-2013	2014-2017	Yes	Yes
UNICEF	Medium-term strategic plan	4	2006-2013	2014-2017	Yes	Yes
WFP	Strategic plan	4	2008-2013	2014-2017	Yes	Yes
UNHCR	Biennial programme	2	2012-2013	2014-2015	Yes	No
UN-Habitat	Strategic plan ^c	6	2008-2013	2014-2019	No	No
UNRWA	Medium-term plan	6	2010-2015	2016-2021	No ^d	No
Specialized agencies						
FAO	Medium-term plan	4	2010-2013	2014-2017	Yes	Yes ^e
ILO	Strategic policy framework	6	2010-2015	To be decided	No	No
UNESCO	Medium-term strategy	6/8	2008-2013	2014-2021	Yes	No
WHO	General programme of work	6	2008-2013	2014-2019	No	No
IFAD	Strategic framework	5	2011-2015	2016-2020	No	No
UNIDO	Medium-term programme framework	4	2010-2013	To be decided	No	Yes

Entity	Strategic planning document	Number of years ^b	Planning cycle		Alignment with quadrennial comprehensive policy review	Annual quadrennial comprehensive policy review reporting to governing body
			Past	Current		
Other entities						
UN-Women	Strategic plan	4	2011-2013	2014-2017	Yes	Yes
UNODC	Biennial programme ^f	2	2012-2013	2014-2015	Yes	No
UNCTAD	Biennial programme	2	2012-2013	2014-2015	Yes	No
UNEP	Medium-term strategy	4	2010-2013	2014-2017	Yes	No
OHCHR	Biennial programme	2	2012-2013	2014-2015	Yes	No
UNAIDS	Strategic framework	4	2011-2015	To be decided	No	Yes ^g
ITC	Strategic plan	3	2012-2015	2015-2017	Yes	No
UNISDR	Strategic framework biennium work programme	2	2013-2015	To be decided	No	Yes ^h
UNOPS	Strategic plan	4	2010-2013	2014-2017	Yes	Yes

^a The 22 funds, programmes, specialized agencies and other entities accounted for 97 per cent of both the total and development-related operational activities for development of the United Nations system in 2012.

^b Years reflected are those of the current programming cycle or those stipulated by the most current decisions of governing bodies and which will be reflected in the next programming cycle.

^c UN-Habitat Governing Council resolution 24/15 changed the title of the strategic planning document from "Medium-term strategic and institutional plan" to "Strategic plan". There will be an opportunity for the Governing Council to consider alignment to the quadrennial comprehensive policy review at the twenty-fifth session in April 2015.

^d UNRWA currently operates on a six-year strategic planning cycle (medium-term strategy), which is prepared in close coordination with the Agency's Advisory Commission, established in accordance with General Assembly resolution 302 (IV), and tasked to advise and assist the Commissioner General of UNRWA in carrying out the Agency's mandate. The six-year planning cycle enables the Agency to plan its human development programmes and humanitarian responses appropriately. The next medium-term strategy will cover the period 2016-2021, and work is well under way.

^e The reporting is on a biannual basis to the Conference.

^f UNODC adopts a strategy every four years which guides the development of the biennial strategic framework.

^g Included as part of regular reporting to the board.

^h UNISDR will be reporting against the United Nations Plan of Action on Disaster Risk Reduction in implementation of the quadrennial comprehensive policy review in accordance with resolution 67/226.

76. Among the 22 entities, which accounted for some 97 per cent of United Nations operational activities for development in 2012, 14 now have their planning cycle aligned with the quadrennial comprehensive policy review (see table 6). Furthermore, 10 out of the 22 entities formally report to their governing bodies on implementation of the quadrennial comprehensive policy review. ILO is planning to have discussions at their Governing Body sessions in 2014 with the aim of aligning their next strategic policy framework with the quadrennial comprehensive policy review. The General Conference of UNESCO decided early on in 2011 to extend the programming cycle of the medium-term strategy from six years to eight, and to extend the programme, which was previously biennial, to a four-year programme as a mechanism to align with the quadrennial comprehensive policy review cycle. UNIDO is expected to extend their current medium-term programme framework from 2013 to 2015, which will move the timing of the strategic plans of UNIDO into the quadrennial comprehensive policy review planning cycle. Although the general programme of work of WHO is not aligned with the quadrennial comprehensive policy review, it is operationalized through biennial programme budgets, which is expected to achieve a robust bottom-up planning and budgeting based on country needs. The general programme of work of WHO articulates clearly the priorities of member States, which relate closely to the quadrennial comprehensive policy review.

77. The strategic plans (2014-2017) of the funds and programmes and some specialized agencies reflect the priorities of the quadrennial comprehensive policy review, including the strengthening of sustainable development, poverty eradication, South-South cooperation, gender equality, disaster risk reduction and increasing the efficiency of the United Nations, and effectiveness and coherence in programme and business operations. They also include a series of common indicators, which measure several quadrennial comprehensive policy review priority areas in a consistent and coherent fashion across the integrated results frameworks of UNDP, UNICEF, UNFPA, WFP and UN-Women. UNAIDS has also adopted a similar approach through its unified budget, results and accountability framework for 2014-2015.

A. Eradication of poverty

78. The General Assembly, in its resolution 67/226, affirmed that poverty eradication is the greatest global challenge and should continue to be a core area of focus for the United Nations development system, and that its development programmes and projects should attempt to address this greatest global challenge as their underlying objective. In this respect, in its resolution 67/226, the Assembly also requested the strengthening of the normative and operational linkages within the United Nations system, which should direct particular efforts to support national initiatives for inclusive, equitable, participatory, transparent and accountable development processes.

79. At the global level, poverty and hunger have been reduced significantly. The world reached the poverty reduction target five years ahead of schedule. Much of this progress, however, has been made in a few large countries. Moreover, while the poverty target of Millennium Development Goal 1 has been met, 1.2 billion people were still living in extreme poverty in 2010, and 870 million suffered from chronic hunger over the period from 2010 to 2012. For example, despite recent strong economic growth and declining poverty rates in sub-Saharan Africa, the region is

currently off track to meet the Millennium Development Goal poverty target. In fact, the number of people in sub-Saharan Africa living in poverty is rising, and the region remains vulnerable to shocks that can rapidly erode gains, including ongoing peace and security challenges.

80. The United Nations development system is gearing up towards the accelerated progress of the Millennium Development Goals. The Millennium Development Goal Acceleration Framework methodology and tools, endorsed by UNDG, were developed based on country experiences at the global level, where tested in a number of countries, and are now being used in over 50 countries to accelerate the achievement of specific Millennium Development Goals. Acceleration plans for the achievement of the Millennium Development Goals are being implemented by national governments with the support of the United Nations system, including the World Bank and other agencies within CEB. In 2013, the UNDG and development partners have launched the Millennium Development Goal momentum campaign to redouble efforts towards accelerating achievement of the Goals between now and 2015.

81. The United Nations also supports critical monitoring efforts on achievement of the Millennium Development Goals. Since 2001, United Nations country teams have supported governments to produce over 400 national and subnational Millennium Development Goal reports at the country level.

82. Noting the intrinsic linkage between poverty reduction and sustainable development, the key areas of work, as endorsed in the strategic plans of several funds and programmes and specialized agencies, will contribute directly to poverty eradication. For example, UNDP prioritizes assisting programme countries to design and implement development pathways that can tackle the connected issues of poverty, inequality and exclusion. Such strategic vision needs to be operationalized. Further analysis should be provided in the context of the reports on the implementation of the strategic plans. UNAIDS has supported the African Union to develop a road map on shared responsibility and global solidarity for AIDS, tuberculosis and malaria. This road map provides a clear direction for the operational activities for development of the United Nations system in African Union member States, in accordance with national priorities and strategic plans. The Twelfth General Programme of Work (2014-2019) of WHO identifies the changing political, economic and institutional context and the role of WHO in providing the support to its member States in addressing their developmental challenges. The new health agenda recognizes that health is central to poverty reduction and highlights the role of health as a precondition for and an outcome and indicator of all three dimensions of sustainable development.

B. Increasing South-South, triangular cooperation and regional cooperation

83. The importance and scale of South-South and triangular cooperation has significantly increased. There is a remarkable surge in South-South cooperation driven by unprecedented economic performance of emerging economies in the South, their expanding middle class, the rapid spread of electronic connectivity and buoyant flows of South-South trade and investment. Triangular cooperation

partnerships that are supportive of South-South cooperation are also increasing in areas such as sustainable development and capacity development.

84. Progress has been made in mainstreaming South-South and triangular cooperation into strategic planning and creating closer linkages between the regional commissions and UNDG. United Nations agencies have stepped up their efforts to mainstream South-South and triangular cooperation through their key policies, strategic frameworks, operational activities and budgets. This is evidenced for example, in the strategic plan of UNDP, UNICEF, UNFPA, UNESCO, UNOPS and WFP, as well as the FAO and the ILO programmes of work and budget and the operational strategy of UNIDO.¹⁵

85. The convening role of the United Nations on issues regarding South-South cooperation has been further demonstrated. In its continuing efforts to promote South-South and triangular approaches to development, United Nations system organizations have convened a number of high-level conferences and meetings with the aim of facilitating policy debates and exchanges of knowledge, fostering consensus-building and monitoring intergovernmental commitments for the promotion of South-South and triangular cooperation.

86. At the operational level, funds and programmes and specialized agencies have forged partnerships to scale up South-South cooperation in their areas of competence. There has been growing interest in improving analysis on South-South cooperation. The United Nations system has conducted a number of evaluations of their various South-South cooperation activities over the past two years.

87. A number of influential reports were prepared by United Nations entities that highlighted the growing potential of South-South and triangular cooperation for supporting sustainable and equitable development in countries of the South.

88. Despite those efforts, challenges remain for the United Nations development system to scale up support for South-South and triangular cooperation. The rules, regulations, procedures and business models of the United Nations development system are seen as more suited to traditional development cooperation.

Examples for initiatives in South-South cooperation

- In June 2013, FAO convened a high-level forum that facilitated the exchange of good practices and lessons in reducing hunger among countries in Africa, Latin America and Asia.
- UNIDO facilitated a high-level round-table discussion on South-South cooperation at the 20th Conference of African Ministers of Industry.
- World Intellectual Property Organization organized two interregional meetings in Cairo and Geneva on South-South cooperation to discuss issues relating to intellectual property governance, genetic resources, copyright, patents and trademarks.

¹⁵ In the case of ILO, the programmes of work and budgets are based on the "Strategy on South-South and triangular cooperation" that was adopted in March 2012 (GB.313/POL/7).

- In May 2013, ESCAP brought together the five regional commissions of the United Nations to work collectively on identifying and fostering good practices in South-South cooperation. South-South cooperation has featured prominently in recent meetings organized by the Department of Economic and Social Affairs in Addis Ababa, New Delhi, Montreux, France, and Istanbul, Turkey, in preparation for the 2014 Development Cooperation Forum.
- UNDP has created strategic partnerships with emerging economies and established centres for sharing knowledge and experience.
- Supported by UNICEF, the Government of India hosted the "Second High-level Meeting on South-South Cooperation for Child Rights" for countries of Asia and the Pacific region to share knowledge and enhance cooperation for the realization of children's rights
- Through an agreement signed in 2013 by FAO, the Brazilian Technical Cooperation Agency and the Brazilian Agricultural Research Corporation have enabled experts from the latter to provide their technical expertise to developing countries facilitated by FAO.
- UNEP also scaled up its support to South-South cooperation in the context of the implementation of the Convention on Biological Diversity. UNEP launched its South-South Cooperation Exchange Mechanism, which has links with the network of centres of excellence that work towards achieving the aims of the Convention and which supports the implementation of the Multi-year Plan of Action for South-South Cooperation on Biodiversity for Development.
- In August 2013, the China-Africa Health Ministerial Forum, supported by UNAIDS, WHO, UNFPA, UNICEF and the World Bank launched a new era of health cooperation between China and Africa. Since 2011, Brazil, Russia, India and China have established, in cooperation with UNAIDS and WHO, a health cooperation platform, and prioritized the use of technology transfer as a means to empowering developing countries.
- In September 2013, the Ministers of Health of countries in the Americas region approved a renewed policy for cooperation for health development in the Americas, with the goal to strengthen cooperation among countries and horizontal partnerships within and across regions in order to proactively share health solutions that effectively and sustainably address common health problems, particularly in priority areas such as facilitating universal access to health care and addressing the social determinants of health.

89. The regional commissions have started to implement the General Assembly resolution on the quadrennial comprehensive policy review by developing closer linkages with the United Nations Development Group and United Nations regional coordination mechanisms at the regional and country levels. With reference to their normative work, the regional commissions do not view their research and analysis

work as an end product but as a key input for developing evidence-based policy options that countries can implement after they have been adapted to their own development circumstances. For instance, ESCAP understands that its most important role is in the development and implementation of regional agreements through its intergovernmental mechanisms on issues such as regional integration, financing for development and technology transfer. In this regard, the Commission convened a Ministerial Conference on regional integration in December 2013 to discuss how developing countries can best assist each other in their own development.

90. For the regional commissions, an additional focus on interregional South-South cooperation would enable them to more effectively address emerging challenges, such as providing assistance to more advanced developing countries in supporting other countries within and outside of their region. Also in coordination with UNDG, the regional commissions support the development of a policy framework for the full realization of the potential for South-South economic relations. The framework would serve as a guidance to follow a more equitable and sustainable way to promote inclusive and sustainable development that would assist countries in implementing the post-2015 development agenda.

C. Transition from relief to development

91. The United Nations development system continues to play a critical role in countries that are in transition providing both relief and development support as the country emerges from crisis. Recognizing the complex needs of countries in transition, efforts are now being made to provide more integrated support, combining both relief and development assistance in a coherent manner that supports short, medium and long-term needs. Funds, programmes and specialized agencies, with wide-ranging mandates are uniquely placed to work together as coherent United Nations country teams to provide a broad range of flexible support that can address the specific challenges of each country in transition. Although the General Assembly has not requested any time-bound activities, progress has been made by the United Nations system in following up on resolution 67/226.

92. Efforts of the United Nations system are placed on strengthening national capacity in an effort to offer effective, efficient and responsive support to national efforts in countries in transition. The United Nations system developed a Guidance Note for Effective Use and Development of National Capacity in Post-Conflict Contexts and is providing support to United Nations missions and country teams for its implementation. The Guidance Note was developed through an inter-agency team spanning United Nations humanitarian, security and development entities, as part of the overall Civilian Capacity Initiative. The note examines ways of meeting civilian capacity needs in the aftermath of conflict through the use of national capacities, and outlines core principles and guidelines for improved development and use of national capacity in post-conflict contexts, as well as plans for developing capacity assessment tools for field teams, designing strategies and monitoring results.

93. The United Nations Policy on Integrated Assessment and Planning was also developed through an inter-agency process and approved by the Secretary-General in April 2013. The policy focuses on a United Nations-wide strategic response in

support of peace consolidation and puts stronger emphasis on links to other planning processes, including national planning processes.

94. CEB endorsed in April 2013 the United Nations Plan of Action on Disaster Reduction for Resilience. The Plan of Action identifies a series of important measures to ensure that the United Nations system addresses disaster risk and to accelerate system-wide actions to support countries and communities to manage disaster risk. Ten United Nations organizations have already prioritized, or are in the process of further prioritizing, disaster risk reduction within their 2014-2017 strategic plans. A further 15 have work streams related to disaster risk reduction in their workplans. The United Nations system is working together, under the leadership of UNISDR to support its implementation at the country level with the engagement of regional undg teams, Resident Coordinators and United Nations country teams.

95. In the context of mutually reinforcing linkages between development, peace and security and human rights, a number of United Nations country teams assisted host governments to engage with United Nations human rights mechanisms, including the universal periodic review, and mainstream international human rights standards and obligations in national development strategies and processes.

D. Gender equality and women's empowerment

96. The issue of gender equality and women's empowerment is going to be an indispensable and integral part of the post-2015 agenda. While gender equality is an important development goal by itself, it is also one of the foundations for sustainable development and economic growth. The General Assembly reiterated in its resolution 67/226 that there is a need for substantially increasing the investment in outcomes and outputs related to gender equality and the empowerment of women in UNDAFs. Progress has been made by funds, programmes, specialized agencies and other United Nations entities in further integrating gender equality and women's empowerment into their operational activities.

System-wide gender mainstreaming

97. The United Nations development system took concrete measures towards effective and coherent system-wide gender mainstreaming and strengthened accountability through the initiation of the United Nations-system-wide action plan, which includes a sliding scale of 15 common-system performance measures to which the Organization can adhere and aspire. A total of 55 United Nations entities delivered their first reports under the United Nations-system-wide action plan, leading to the first systematic baseline data and subsequent analysis of the work of the United Nations system on gender equality and the empowerment of women.

98. The analysis revealed that the United Nations development system as a whole has emerged strongest in the areas of coherence (systematic participation in inter-agency coordination mechanisms on gender equality) and performance assessment (integrating an assessment of gender equality into core values and/or competencies for all staff), with challenges remaining in the areas of resource allocation and gender parity issues. Overall, the United Nations system meets or exceeds requirements in only 31 per cent of ratings on performance indicators, and approaches requirements in another 43 per cent. As a result, continuous effort is

required for a majority of United Nations entities to meet the performance standards by 2017. In the area of gender equality policy, 13 per cent of all reporting United Nations entities had developed policies or plans aligned with the United Nations-system-wide action plan in 2012, and a further 20 per cent were expected to do so in 2013. Of the funds and programmes, 86 per cent had a gender equality policy, and the rest were working on introducing one. UN-Women has prepared guidance on the development of gender equality policies that are aligned with the United Nations-system-wide action plan, and it is anticipated that most of the entities in the United Nations system will have developed such policies by 2017.

99. In order to meet the requirements for strategic planning, entities need to include adequate gender analysis and at least one specific outcome or expected accomplishment and one specific indicator related to gender equality and the empowerment of women in their central strategic planning document. While the ratings for this indicator were relatively positive (41 per cent met or exceeded requirements), adequate gender analysis in strategic planning documents is missing for the majority of United Nations system entities, and only 14 per cent of entities included more than one indicator on gender equality in their central strategic planning document. More positively, however, 43 per cent of the entities that missed or approached the requirements for this indicator will be developing new strategic planning documents for 2014 and beyond, creating opportunities for a stronger presence of a gender perspective in future strategic planning documents.

100. The UNDG Gender Equality Marker Guidance Note was endorsed by the Group in September 2013. The Guidance Note contains common principles and standards for gender equality marker systems and aims to guide the development of an effective and coherent United Nations-system approach for tracking resources that support gender equality results. It is intended to help individual United Nations entities to establish or improve their gender equality marker system. The Guidance Note calls on United Nations entities, when they use a gender marker, to apply its standards and principles so that they produce data that are comparable across the United Nations system.

Minimum set of gender indicators

101. To improve data collection, the United Nations Statistical Commission agreed on the use of the 52 Minimum Set of Gender Indicators developed by the Inter-agency and Expert Group on Gender Statistics as a guide for the national production and international compilation of gender statistics. The choice of indicators was guided by the primary criterion that indicators should address key policy concerns as identified in the Beijing Platform for Action and other more recent international commitments, including the Millennium Development Goals. The availability of data disaggregated by sex constitutes one of the major challenges and is directly connected to the further need in investing in statistical capacity development and monitoring as part of the operational activities of the United Nations system at the country level. The United Nations Statistics Division has developed a web-based platform to disseminate the Minimum Set of Gender Indicators. The Advisory Group on Emerging Issues is currently reviewing further indicators and considering the possibility of disseminating them online in 2014. In addition, work is also under way, in particular through the Evidence and Data for Gender Equality Programme, to develop and test methodologies to measure indicators for which agreed concepts are not yet available such as asset ownership and entrepreneurship.

102. The quadrennial comprehensive policy review monitoring and reporting framework includes relevant indicators directly related to following up on the provisions of General Assembly resolution 67/226. Measuring progress on incorporating gender equality and women's empowerment into the operational activities of funds, programmes and specialized agencies, the indicators aim to support the positioning of the United Nations development system as an important resource for gender relevant data and more effective support for gender equality and women's empowerment. For instance, specific indicators measure the number of UNDAFs that have results and resources for gender equality, the number of United Nations country teams that have successfully conducted the gender score card and the number of United Nations entities that track and report on allocations and expenditures using gender markers.

IV. Improved functioning of the United Nations development system

A. Improving the programming process

103. UNDG has recognized the need to further improve the programming process of UNDAF and encourages United Nations country teams to produce simplified and strategic UNDAF documents that result from a lighter programming process.

104. UNDG is improving UNDAF as a strategic planning and results-oriented framework. A further simplification of the programming process allows the strengthening of national ownership and consequently a closer alignment of the UNDAF document with national priorities. In particular, with a view to prepare the United Nations development system for the post-2015 development agenda, the UNDAF process must result in a strategic document that reflects the value added and comparative advantages of individual United Nations entities as part of a coherent United Nations development system at the country level, including by strengthening its normative and operational linkages. This includes the further simplification and harmonization of agency-specific programming instruments and a stronger focus on joint programming and implementation of results groups at the country level.

105. The 2010 UNDAF guidelines and the recently adopted UNDG standard operating procedures for countries wishing to adopt a "Delivering as one" approach emphasize the importance of national ownership through the alignment of United Nations country programming tools with existing national plans and priorities. Application of normative programming principles in all stages of the development cycle is highlighted in both documents, forging increased consistency between United Nations normative and operational activities and thereby the United Nations system's responsiveness to requests for inclusive, equitable, participatory, transparent and accountable development processes benefiting people living in poverty and other marginalized groups. In particular through the "One programme" part of standard operating procedures, UNDG has introduced a number of tools that support the simplification of UNDAF as a strategic and results-oriented planning instrument, at the outcome level, and coherence of the United Nations development system at the country level. Those procedures are optional for countries which are

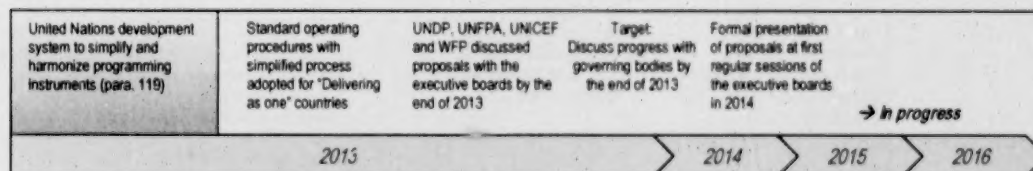
not "Delivering as one" pilots, and for joint programmes, the proportion of which also remains limited.

Harmonization of programming instruments and simplification of the country programming process

106. In accordance with the request by the General Assembly through resolution 67/226 for time-bound action in this area, funds and programmes have jointly looked into further simplifying and harmonizing agency-specific programming instruments and processes and are developing proposals with a focus on the harmonization of formats of agency-specific country programming instruments and the simplification of the approval process. In order to shorten the programming process to less than a year and allow for alignment with the government cycle, funds and programmes are seeking agreement of respective Executive Boards to allow for the review and approval of country programme documents in one board session. UNDP, UNFPA, UNICEF and WFP had discussed their proposals with their Executive Boards by the end of 2013 with a view to formally presenting the issue at the first regular session of 2014. Furthermore, recognizing the financial and accountability role that country programme documents play for individual agencies, funds and programmes commit to the full alignment of UNDAF outcomes and agency-specific country programme document outcomes to maximize harmonization of agency specific instruments and thus respond to the request for strengthening common country programming.

Figure XXII

Time-bound actions relating to the United Nations Development Assistance Framework



107. The quadrennial comprehensive policy review monitoring and reporting framework contains a number of indicators that are designed to measure the progress related to the UNDAF process and the quality of the UNDAF document as a strategic tool for coherency of the United Nations development system at the country level. This includes the integration of the programming principles and a number of indicators related to the perception of stakeholders in regard to the overall effectiveness of the United Nations at the country level. Indicator 56 relates directly to the above-mentioned time-bound actions as requested by the Assembly in its resolution 67/226 and measures the number of United Nations entities which have simplified and harmonized agency-specific programming instruments.

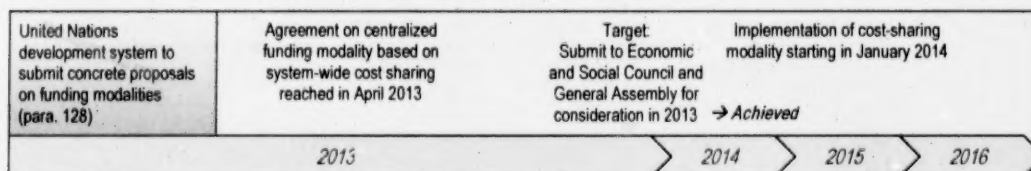
B. Strengthening the Resident Coordinator system

108. The Resident Coordinator system is an important cornerstone of a coherent and well-coordinated United Nations development system. Owned by the United Nations development system as a whole, it is responsible for coordinating the

operational activities of the United Nations at the country level. In particular with a view to addressing the challenges of a post-2015 development agenda, the comparative advantages of the United Nations development system at the country level will depend on several factors. These include effective coordination through a strengthened Resident Coordinator function, further decentralization of authority from Headquarters to representatives of funds, programmes and specialized agencies, and the ability of the Resident Coordinator to propose amendments of projects and programmes to align them with UNDAF, as well as amendments to UNDAF to react to changes of national needs, priorities and challenges. In addition, and as recognized by the Secretary-General in the "Rights Up Front" Action Plan, the Resident Coordinator function must be equipped with the requested capacity and level of support to ensure the effective and timely coordination of United Nations responses at country levels to serious human rights concerns.

109. A centralized funding modality for the Resident Coordinator system has been adopted. As called for by the Assembly in its resolution 67/226 and in response to a request from the Economic and Social Council, the principals of UNDG reached an agreement in April 2013 on a centralized funding modality in support of the Resident Coordinator system. The funding modality is based on system-wide cost-sharing among all UNDG member organizations and seeks to ensure that Resident Coordinators have the necessary, stable and predictable resources to effectively fulfil their mandates. UNDG has taken the necessary measures to implement the centralized funding modality starting in January 2014 and a financial management system is being put in place.

Figure XXIII
Time-bound action Resident Coordinator system



110. The centrally managed mechanism will replace current ad hoc arrangements and requests for funds and support for the 10 agreed core coordination functions at the country level. The cost-sharing agreement will be based on a global funding scenario of \$121 million annually, which is equivalent to some 0.8 per cent of development-related United Nations operational activities for development. Of that amount \$88 million are provided by UNDP as part of the "backbone" contribution, and \$33 million are to be cost-shared by participating agencies, including UNDP. The cost-sharing arrangement gives priority to countries in transition through the provision of enhanced support. The Resident Coordinator annual reporting system is being revised to ensure transparent reporting on the use of funds.

111. Of the 19 member entities of UNDG expected to contribute to the cost-sharing modality, 10 have already confirmed their intent to provide the full amount foreseen in the UNDG cost-sharing formula in 2014, 4 entities have confirmed that they will start contributing with a reduced amount, and 3 entities have yet to confirm their contributions. The contribution of the Secretariat of the United Nations will be subject to the approval of the General Assembly during its consideration of the

programme budget for 2016-2017. As not all UNDG member entities will be in a position to start contributing to the cost-sharing in 2014, a funding gap for the Resident Coordinator system is expected at the global, regional, and country levels in the transitional phase in 2014 and 2015, for which UNDG is seeking continued contributions from Member States until the cost-sharing modality will become fully operational in 2016.

112. Beyond cost-sharing, other measures have also been put in place to strengthen the capacity of the Resident Coordinator's office, such as the UNDG strategy to deploy human rights advisers in response to requests from programme countries to strengthen human rights-based approaches to development.

Management and accountability system

113. While it has been noted that a strengthened Resident Coordinator function increases the coherence of the United Nations country team at the country level, it amplifies the need for a functioning "firewall" between the institutional and system-wide functions of UNDP and the Resident Coordinator system and the implementation of the mutual accountability principle by the members of the United Nations country team.

114. In response to the request of the General Assembly to ensure the full implementation of the management and accountability system, the United Nations development system has considerably advanced in the implementation of the system, including the firewall function. Concerning the actions related to the principle of mutual accountability, as of October 2013, 10 organizations have fully implemented all actions, which is an important improvement over the five organizations that reported full implementation in 2012. At the same time, not all United Nations entities have yet systematically implemented the provisions established by UNDG, which indicates that there is a need to further accelerate the full institutionalization of the management and accountability system.

115. The recruitment process has been strengthened, and the diversity of Resident Coordinators continues to improve. UNDG is currently strengthening the Resident Coordinator Assessment Centre as a tool to develop a pool of qualified candidates with the required skills and profiles. It is expected that the new assessment centre will be operational in the spring of 2014.

116. Geographic, gender and agency diversity of Resident Coordinators continues to improve. As of October 2013, 40 per cent of Resident Coordinators are women, 44 per cent are from the South, and 40 per cent are from entities other than UNDP. The gender ratio and United Nations system representation are the highest ever achieved and reflect the continuous efforts being made by the United Nations system in this regard.

117. In addition, there has been a continuous improvement of the training and development of newly selected Resident Coordinators, including through an improved Resident Coordinator induction course to prepare candidates for their role as Resident Coordinator, Humanitarian Coordinator and Designated Official. UNDG is also working on a lifelong learning proposal for Resident Coordinators during the full cycle of their postings.

118. UNDG has revised the Resident Coordinator job description and the United Nations country team Code of Conduct and guidance on working relations. This is

an important step forward to clarify roles and responsibilities in the Resident Coordinator system and the United Nations country team and help to ensure that the profile of the Resident Coordinator function is better aligned with the needs, priorities and challenges of programme countries.

119. UNDG is also looking to further improve the performance appraisal system of Resident Coordinators and United Nations country teams, including ongoing enhancements to the mutual accountability assessment tool towards common results.

120. It is essential to continuously review the implementation of the management and accountability system at the country level, including the functioning of the firewall, to strengthen horizontal accountability without prejudice to the vertical accountability of United Nations country team members to their individual headquarters. The increasing diversity of Resident Coordinators from various United Nations entities sends a positive signal of ownership of the Resident Coordinator system by the wider United Nations system. At the same time, recognizing the limited potential to increase the number of UNDP country directors, the United Nations development system is exploring ways to improve the functioning of the firewall. Most recently, UNDG has further revised the job description of the Resident Coordinator, which elaborates on the respective functions of Resident Coordinator and Resident Coordinator. This issue will continue to be kept under review in the subsequent reporting of the Secretary-General on the follow-up to the quadrennial comprehensive policy review.

C. Advancing the simplification and harmonization of business practices

121. Over the past three decades, Member States have consistently requested the United Nations system to reduce duplicate functions and create higher organizational efficiencies in their business operations. A number of resolutions have highlighted the need for more uniform administrative, financial and personnel procedures and the harmonization of budget and programme cycles.¹⁶ With the aim to strengthen efficiency and lower administrative costs, one of the main objectives is to increase the proportion of resources available for programme requirements in recipient countries. Moreover, the repositioning of the United Nations development system to address the challenges of a changing development landscape requires a more cost-efficient and widely harmonized administrative support system.

122. Various functional areas of business operations have long gained importance as an integrative part of programmatic work and contributing to the strengthening of national capacities. For example, the implementation of the harmonized approach to cash transfer and the objective to increase the use of national procurement systems

¹⁶ See General Assembly resolutions 32/197 on the restructuring of the economic and social sectors of the United Nations system; 42/196 on operational activities for development; 54/249 on questions relating to the proposed programme budget for the biennium 2000-2001; 59/250 on the triennial comprehensive policy review of operational activities for development of the United Nations system; 62/208 on the triennial comprehensive policy review of operational activities for development of the United Nations system; 64/289 on system-wide coherence; and Economic and Social Council resolution E/2011/L.35 on progress in the implementation of General Assembly resolution 62/208 on the triennial comprehensive policy review of operational activities for development of the United Nations system.

have created a demand for capacity development in related areas. The harmonization of business practices is not an end in itself. Agency-specific policies and procedures have evolved differently over time to address the requirements of different business models, and considerable investments in the development of enterprise resource planning systems have already been made — this makes the harmonization of business practices across the entities of the United Nations development system a challenging task. While the costs and benefits of business practice harmonization have to be carefully assessed, the interoperability of enterprise resource planning systems can be essential for areas where the harmonization of business practices significantly increases the quality of service provision and cost-efficiency.

123. In the recent resolution on the quadrennial comprehensive policy review, Member States requested a number of far-reaching, results-oriented and time-bound actions. At the same time, Member States underlined that those measures should be feasible in terms of the generated transaction costs and time requirements for their implementation (see figure XXIV).

Figure XXIV

Time-bound actions relating to the simplification and harmonization of business practices of agencies, funds and programmes

Funds and programmes to submit joint plans for consolidation of support services at the country level to executive boards (para. 152)	Business operations strategy in place	Piloting of common United Nations service centres started in Brazil	Target: Plans submitted to the executive boards at first regular session of 2014 → <i>In progress</i>	Target: Report on achievements to governing bodies annually from the end of 2014
United Nations development system to present plans to governing bodies for further intra-agency rationalization (para. 153)	Funds and programmes decided to address this action on an agency basis	UNICEF, UNDP, UNFPA and WFP have reported initial progress during Executive Board sessions in 2013	Target: Plans presented by the end of 2013 → <i>In progress</i>	
United Nations development system to conclude framework agreements regulating mutual validity of agreements (para. 154)	Standard inter-agency memorandum of understanding established for common support services		Target: Agreements concluded by the end of 2013 → <i>On track</i>	
High-level Committee on Management and UNGD to present plans for support services based on unified regulations and rules (para. 155)	High-level Committee on Management networks initiated studying feasibility of harmonization of regulations and rules, policies and procedures in different functional areas		Target: Plans presented in 2014 → <i>In progress</i>	Target: Implementation in 2016
Secretary-General to present to executive boards a proposal on the common definition of operating costs and a common and standardized system of cost control (para. 159)	Working group established through the High-level Committee on Management		Target: System developed in 2014 → <i>In progress</i>	
Secretary-General to study the feasibility of interoperability of enterprise resource planning systems (para. 160)	Study initiated under the leadership of the Secretary-General of ITU		Target: Feasibility study completed in 2014 → <i>In progress</i>	Target: Interoperability in 2016 in line with the results of the feasibility study
United Nations development system to develop a strategy supporting the establishment of common premises (para. 161)			Target: Present to the Economic and Social Council by the end of 2013 → <i>Initiated</i>	
2013 2014 2015 2016				

124. In 2013, UNDG and the High-level Committee on Management continued their cooperation and coordinated their roles in following up on the provisions of resolution 67/226.

125. The UNDG, in close cooperation with the High-level Committee on Management, is currently piloting the business operations strategy, which is expected to be implemented in 11 countries as a voluntary framework and as the strategic planning tool of the "Operating as one" pillar of the standard operating procedures for "Delivering as one". Based on the experience and lessons learned from those pilots in terms of cost savings and efficiency gains, the United Nations Development Group plans to update the business operations strategy guidelines in 2015.

126. The strategy has been designed as a voluntary framework for the group of countries that wish to adopt the "Delivering as one" approach. While the actions requested by the General Assembly in its resolution 67/226 do not foresee a selective approach to the consolidation of support services and other measures, the United Nations development system is first piloting the business operations strategy in selected countries, so as to inform the strategy and direction for consolidation of support services at the country level.

Box 2

Establishing a "One United Nations" service centre pilot for the United Nations development system in Brazil

- A first, the UNDG/High-level Committee on Management mission was deployed in May 2013 with the aim to analyse potential areas of business operations to be executed jointly and to prioritize the services with the highest dollar/volume ratio to maximize the impact of joint engagement in those services.
- An initial analysis identified 14 service lines in procurement, human resources, ICT and logistics.
- Work is ongoing to develop the governance model for the "One United Nations" service centre, based on a combination of outsourcing, lead agency and integrated service centre concepts.
- A second high-level mission will deploy in February 2014 led jointly by UNDG and the High-level Committee on Management.

127. In addition, efforts are ongoing to promote simplification of business practices within agencies, as well as on simplification and harmonization of inter-agency business operations, such as through the use by the United Nations development system of long-term agreements and harmonized or joint approaches to procurement and the use of shared service centres — an area where considerable achievements have already been made. Operational guidelines for the construction of new United Nations common premises have been developed and approved by the UNDG task team on common premises. The work on a strategy that supports the establishment of common premises in programme countries has been initiated and scheduled to be completed in the first two quarters of 2014.

128. At its twenty-fifth session in March 2013, the High-level Committee on Management approved its strategic plan for 2013-2016, outlining the priority objectives for the Committee and its networks for the next three to five years. The strategic plan of the Committee includes a considerable number of activities that respond to the mandates of the quadrennial comprehensive policy review. For example, in the functional area of human resources, the work of the Committee has a focus at both the country level and at Headquarters levels, primarily through the engagement with the International Civil Service Commission in its work on the review of the United Nations system compensation package, the progressive elaboration and implementation of the inter-agency mobility agreement, the pilots for harmonized recruitment approaches at the field level, and the coordinated design and implementation of performance management and reward recognition frameworks. In the functional area of ICT, the ICT network has launched a feasibility study on the system-wide interoperability of enterprise resource planning systems under the leadership of the Secretary-General of ITU. In the functional area of procurement, the Procurement Network has initiated a number of projects on the enhancement of common services, such as the common procurement of vehicles led by UNDP as well as the location-based procurement collaboration in Geneva, Rome, New York and Copenhagen.

129. The High-level Committee on Management work on establishing common definitions of operating costs and standardized systems of cost control, as well as work to enhance the quality and quantity of information on the CEB website, does respond directly to mandates of the quadrennial comprehensive policy review. The CEB secretariat is continuously improving the system for collection of Financial Statistics based on harmonized definitions of expenses and revenues, to enhance automation, improve the collection mechanism so as to reduce the burden for the organizations, and to broaden the range of collected data. The full set of 2010, 2011 and 2012 data is now displayed on the new CEB website, of CEB.

130. In its fall session of 2013, the High-level Committee on Management took a number of decisions related to the implementation of resolution 67/226. These include the Committee's commitment to elaborate a response to the General Assembly's request for the implementation of common United Nations service centres, taking into consideration the requirements of the different mandates and corresponding business models of member organizations. The Committee also requested each of its networks to review, where there is value in interoperability and appropriate harmonization of rules, regulations, policies and procedures.¹⁷ At the same time, the Committee expressed its commitment to fully support the Brazil pilot on the establishment of a common United Nations service centre and requested its networks to review policies, procedures and results with the aim to remove any remaining obstacles to the lead agency approach in each of their areas of expertise.

131. Following the finalization and adoption by UNDG of the standard operating procedures for countries wishing to adopt the "Delivering as one" approach, they are already being implemented in some "Delivering as one" countries and were introduced to UNDAF roll-out countries starting in autumn 2013. In addition, UNDG is preparing a comprehensive set of guidance, tools and materials for each of

¹⁷ The High-level Committee on Management networks comprise: Procurement, Finance and Budget, ICT, and Human Resources.

the five “Delivering as one” pillars for roll-out by the first quarter of 2014 to support operationalization of the standard operating procedures.

Figure XXV
Time-bound actions relating to “Delivering as one”

United Nations system to formulate standard operating procedures and report to the Economic and Social Council (para. 140)	Standard operating procedures adopted by UNDG for countries wishing to adopt a “Delivering as one” approach	Target: Report in 2013	Standard operating procedures started being implemented in selected programme countries	→ <i>Achieved</i>
Secretary-General to propose options for the approval of common country programme documents to the Economic and Social Council and the General Assembly (para. 143)	Proposals developed focusing on harmonization of formats and simplification of approval process	Target: Make recommendations to the Economic and Social Council and the General Assembly in 2013	Proposals presented to executive boards of funds and programmes at first regular session of 2014	→ <i>In progress</i>
2013 2014 2015 2016				

132. Headquarter-level bottlenecks that have prevented United Nations country teams in “Delivering as one” countries from fully realizing the efficiency gains under the “Delivering as one” approach have also been identified, and UNDG has agreed on a concrete Headquarters plan of action to address those challenges. All actions in the UNDG Plan of Action are considered essential accelerants for the required stepping up of coherence efforts in “Delivering as one” settings. There is recognition that the interlinkage of key actions across the five pillars of “Delivering as one” are critical for the successful implementation of the Plan of Action. The “Operating as one” pillar with its many subcategories, including human resources, ICT, procurement, and finance, represents a significant share of actions among the five pillars.

133. Each Executive Head of UNDG entities will commit to actively promote implementation through individual agency follow-up and collective monitoring. A monitoring and evaluation framework to track the implementation of the “Delivering as one” approach will be established which will track the contribution of “Delivering as one” to greater relevance, efficiency, effectiveness and coherence of the United Nations system.

134. In addition to UNDG, the High-level Committee on Management supports the second phase of “Delivering as one”. As part of its strategic plan for 2013-2016, the Committee is concentrating on those provisions of the “Delivering as one” approach that require system-wide action to enable country offices to become “Delivering as one” countries. Those actions respond to mandates related to pursuing more efficient and cost-effective support services, and to the identification of and response to challenges and bottlenecks to cooperation in field operations. For instance, the work of the Procurement Network on joint procurement teams in the field responds directly to this need. Through this work, inter-agency collaboration to achieve efficiency gains has been made easier and the Network reports that many obstacles to collaboration in the area of procurement have been removed. Furthermore, in the area of human resources, the UNESCO-led project on local staff recruitment will also remove obstacles to “Delivering as one”. The project aims to enable United Nations country teams to rationalize their recruitment processes through collaboration and capacity sharing, leading to the streamlining of the hiring process for national staff.

D. Improving results-based management

135. UNDG has made considerable progress in supporting the establishment of a results-based management culture by adopting common principles and a standard format for UNDAF results reporting. The implementation and mandatory use of the UNDG Results-based Management Handbook for Country Programming provided an additional impetus for United Nations country teams to align their operational activities with measurable results. At the same time, the repositioning of the United Nations development system in the changing development landscape by engaging in more upstream activities, such as standard-setting work, advocacy, capacity development and policy advisory services, as well as in joint programming, raises increasing challenges in terms of results attribution.

136. New strategic plans of United Nations entities include clearer and more robust results frameworks. In an effort to implement a more robust, coherent and harmonized approach focused on results, the new strategic plans for UNDP, UNFPA, UNICEF, UNOPS, WFP and UN-Women for the period 2014-2017 and the general programme of work for WHO for the period 2014-2019 include clearer and more robust results frameworks with complete results chains and indicators. These include common indicators that have been developed to effectively implement the quadrennial comprehensive policy review. Through the development of their strategic plans, the funds and programmes have directly responded to the request made by the General Assembly in resolution 67/226 to improve the planning, measurement, monitoring and reporting on system-wide results. Annual reports of the funds and programmes on the implementation of their respective strategic plans will report on progress in the implementation of the quadrennial comprehensive policy review.

Figure XXVI

Time-bound action relating to results-based management

Secretary-General to report to the Economic and Social Council on results focus (para. 169)		Target: Articulate and report to the Economic and Social Council in 2013	Target: Implementation in 2014	
				→ In progress
United Nations development system to promote results frameworks and discuss with Member States (para. 170)	Target: Consultation from 2013	Strategic plans for 2014-2017 including robust results frameworks developed by UNDP, UNFPA, UNICEF, WFP and UN-Women	Target: Reporting annually from 2014	
				→ In progress
2013 2014 2015 2016				

137. In addition to the work of individual United Nations entities on their results-based management frameworks, UNDG is developing a new monitoring and evaluation framework for harmonized business operations at the country level. The framework reinforces the ability of the United Nations development system to report on results, standardize results measurement and identify trends and practices contributing to cost reductions at the country level for roll-out in other countries.

System-wide evaluation of operational activities for development

138. Following the development of the draft policy for the independent system-wide evaluation of United Nations operational activities for development earlier this year, consultations among Member States took place during the informal consultations of the Second Committee of the General Assembly in November. Agreement was reached to launch two independent pilot system-wide evaluations, namely a meta evaluation and synthesis of UNDAF evaluations with a particular focus on poverty eradication, and an evaluation of the contribution of the United Nations development system to strengthening national capacities for statistical analysis and data collection to support the achievement of the Millennium Development Goals and other internationally agreed development goals.

139. Once the necessary extrabudgetary funds have been mobilized, a secretariat will be established in the Joint Inspection Unit to coordinate the implementation of the two pilot evaluations. The new policy on independent system-wide evaluation will be implemented on a three-year pilot basis beginning January 2014. It is envisaged that the General Assembly will review the policy and the outcome of the two pilot evaluations during the quadrennial comprehensive policy review in 2016. The interim coordination mechanism has also been requested to report to the Economic and Social Council at its substantive session in 2015 on progress in this regard.

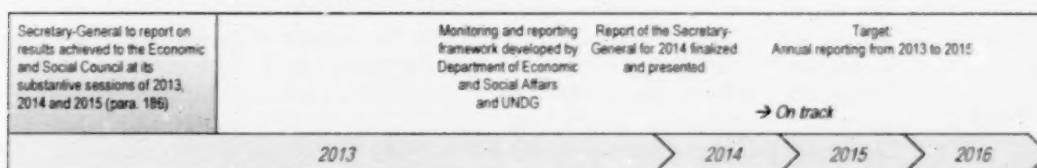
V. Monitoring and follow-up

140. Economic and Social Council resolution 2013/5 requests the Secretary-General, in close consultation with all relevant entities, to prepare and implement a comprehensive, coherent and effective quadrennial comprehensive policy review monitoring and reporting framework. In response to the request, the Department of Economic and Social Affairs and UNDG have jointly developed a single coherent and comprehensive quadrennial comprehensive policy review monitoring and reporting framework.

141. This framework was developed through a system-wide consultative and collaborative process of the UNDG quadrennial comprehensive policy review Working Group convened by the Department of Economic and Social Affairs, with UNICEF coordinating the contributions of UNDG. All United Nations entities were invited to contribute to the development of this framework, including during a two-day retreat organized in October 2013.

Figure XXVII

Time-bound action relating to monitoring and follow-up



142. Three criteria are applied when developing the new framework. First, no mandates should be excluded. Focus has been given to the action-oriented mandates

and actions that are measurable. For those mandates that technically cannot be captured in the form of indicators, efforts will be made to measure progress through surveys, studies, desk reviews and any other relevant means of data collection. In some cases, two or three paragraphs which carry the same objective are captured in one indicator in the spirit of simplification as mandated by the resolution adopted by the Economic and Social Council.

143. Second, the indicators should be technically sound and able to stand the test of time. The indicators have gone through several rounds of iterations and been vetted by specialists in substantive areas from different entities.

144. Third, the data collection and monitoring should be done at minimal transaction costs to the United Nations system. Therefore, data collection will rely on existing sources of information to the maximum extent possible.

145. As a result, the final quadrennial comprehensive policy review framework contains 99 indicators, which represent a significant reduction from a total of 207 indicators as reflected in the framework presented by the Secretary-General in his report to the Economic and Social Council in 2013 and the UNDG Action Plan (see annex II). The common indicators of the strategic plans of funds and programmes are adequately reflected, and special attention was given to time-bound actions. The remaining baselines and targets will be populated in early 2014. The monitoring framework follows the structure of resolution 67/226. It includes a clearer methodology and identifies sources for data collection based on a combination of existing reports and complementary surveys to track progress and inform the reports of the Secretary-General to the Economic and Social Council on implementation of the quadrennial comprehensive policy review. The results of tracking should not only show progress, but also clearly point to both challenges and opportunities.

146. The monitoring framework will be the basis for future reports of the Secretary-General on implementation of the quadrennial comprehensive policy review. The annual monitoring report of the Secretary-General on the quadrennial comprehensive policy review relies on a range of data and information sources. The surveys, analytical studies and desk reviews undertaken by UNDG and the Department of Economic and Social Affairs are being reviewed and revised to align with the quadrennial comprehensive policy review monitoring and reporting framework.

147. In its resolution 67/226, the General Assembly requested the Secretary-General to submit two annual reports on funding and the implementation of the quadrennial comprehensive policy review, respectively, from 2013 onwards. Subsequently, Economic and Social Council resolution decided to merge the two reports into a single publication. The same resolution also mandates United Nations funds and programmes to report on the implementation of the quadrennial comprehensive policy review in the context of their annual reports on strategic plans, which are submitted to their executive boards in June.

148. The funds and programmes have simplified and harmonized reporting to reduce transaction costs. A single report will be developed to integrate the progress on implementation of the quadrennial comprehensive policy review and the progress on strategic plan implementation. This single report, the annual report of the Executive Director, replaces the previous requirement of two separate reports and reinforces the strategic plan progress as an integral part of implementation of the

quadrennial comprehensive policy review. This has already been incorporated into the programmes of work of the Executive Boards of UNICEF, UNDP, UNFPA, UNOPS and WFP. UN-Women is also engaged in the process of harmonizing its operational annual report, mandated by Assembly resolution 64/289, with its report on the strategic plan.

149. In its resolution 68/1, the General Assembly decided that the segment on operational activities for development would be held immediately following the first regular sessions of the executive boards of the funds and programmes of the United Nations system. Through this shift, the Council is expected to strengthen its guidance and coordination over the United Nations development system, which should include objectives, priorities and strategies in the implementation of the policies formulated by the General Assembly, including the quadrennial comprehensive policy review. This adjustment would also enable the Council to provide timely guidance to the United Nations system, namely, at the beginning of the calendar year, and to better engage national policymakers.

150. As a result of this adjustment, future reports of the Secretary-General on implementation of the quadrennial comprehensive policy review will be submitted in January. Although the annual reports of the funds and programmes submitted in May or June will not be available for the segment, consultations have been undertaken to explore options to capture progress achieved by funds and programmes at minimal additional costs.

VI. Conclusion

151. In conclusion, General Assembly resolution 57/226 has established new standards in assessing the effectiveness, efficiency and coherence of the United Nations operational activities for development. Through the resolution, the General Assembly has formulated a comprehensive agenda for reform, which has been emphasized with the establishment of time-bound requests for concrete and results-oriented actions. Since the adoption of the resolution in December 2012, the United Nations development system has made notable progress in following up on the requests and recommendations.

152. The development of a single and coherent quadrennial comprehensive policy review monitoring and reporting framework through a system-wide consultative process, led by the Department of Economic and Social Affairs in close collaboration with UNDG, has established an important structured approach to the implementation of the resolution. Through the framework, the United Nations development system has established a set of commonly agreed indicators for all relevant areas that are measurable and results-oriented.

153. In addition to the commitment to track progress against the new quadrennial comprehensive policy review monitoring and reporting framework, funds and programmes and a number of specialized agencies have aligned their strategic plans for the period 2014-2017 in content and timing to the quadrennial comprehensive policy review. By reflecting the priorities of the quadrennial comprehensive policy review in their own strategic plans, United Nations entities have created a direct linkage between the review process and their own strategic and results-oriented planning, which is a significant step towards greater coherence in the United Nations system.

154. The development and adoption of the standard operating procedures for countries wishing to adopt the "Delivering as one" approach is an important milestone in providing concrete flexible solutions for United Nations country teams that are in line with the reform agenda as formulated in the resolution on the quadrennial comprehensive policy review. In the area of business operations, the standard operating procedures present solutions that include the implementation of a wide range of common support services. Based on those concepts and directly following up with the requests of the General Assembly, UNDG is currently piloting the establishment of a "One United Nations" service center in Brazil.

155. However, the initial follow-up to the resolution on the quadrennial comprehensive policy review has also shown that a number of far-reaching reform measures present significant challenges to individual United Nations entities and the United Nations development system as a whole. In particular, the requests for the timely unification of regulations and rules and policies and procedures, and the consequent consolidation of support services at the country level reach far into the organizational set-up of individual entities. There is a need to discuss the feasibility of some of the requests for the entire United Nations development system and determine in which cases the transaction costs might outweigh the medium- and long-term benefits of harmonization.

156. Despite positive development, the United Nations is operating in a challenging funding environment. Total global official development assistance has been outstripped by other forms of financial flows to developing countries over the past 20 years. In 2012, foreign direct investment to developing countries was \$703 billion¹⁸ and workers' remittance inflows to developing countries in 2011 reached \$196 billion. In addition, total private philanthropic flows amounted to some \$59 billion in 2011.¹⁹ With that in mind, funding to the UN-OAD, still the largest multilateral partner at a total of \$23.9 billion, constituted only 17 per cent of total global ODA. At the same time, much like ODA in general, there has been a trend towards slower growth in funding for both UN-OAD and United Nations development-related activities, especially in the aftermath of the global financial crisis. The core ratio for OAD actually declined from 48 per cent in 1997 to 28 per cent in 2012, thus making the issues around cost recovery and critical mass even more crucial. Despite the new cost-recovery frameworks that were recently developed, which have also improved transparency and comparability of entities' programme and non-programme costs, the forward-looking expenditure plans of some major funds and programmes reveal that the target of full cost recovery remains a work in progress.

157. Effective follow-up to the quadrennial comprehensive policy review needs to be situated in the context of the evolving post-2015 development agenda. A post-2015 development agenda is expected to integrate in a balanced manner the three dimensions of sustainable development towards a single framework and set of goals, universal in nature and applicable to all countries (see General Assembly resolution 68/6). Such an agenda would have major implications for development cooperation, in terms of support for its implementation in general, and the role and strategic orientation of the United Nations development system in particular.

¹⁸ UNCTAD *World Investment Report*, 2013.

¹⁹ Index of Global Philanthropy and Remittances, 2013.

158. Notwithstanding a comprehensive framework and a groundbreaking resolution on the quadrennial comprehensive policy review, there are still major changes that the United Nations operational system for development will have to go through to become better fit for purpose in the context of the changed development cooperation landscape and the post-2015 development agenda.

159. Recent intergovernmental processes have charted courses of action to improve system-wide coherence in policy and implementation.

160. The High-level Political Forum, under the auspices of the Economic and Social Council and the General Assembly, is mandated to provide political leadership, guidance and recommendations for sustainable development, follow-up and review progress in the implementation of sustainable development commitments, and enhance the integration of the three dimensions of sustainable development at the highest political level.

161. Driven by a vision that the Economic and Social Council should become a convening hub for the wider United Nations development system and bring greater coherence and collective thinking within the United Nations system,²⁰ the recent reform process has strengthened the Economic and Social Council as the central mechanism for coordination of the activities of the United Nations development system. This vision underpins the renewed operational activities segment, which will set objectives, priorities and strategies in the implementation of the quadrennial comprehensive policy review. The changing cycle will enable the Council to provide timely and relevant guidance to the United Nations development system by frontloading policy discussions at the beginning of the calendar year and better engaging national policymakers from capitals.

162. As the United Nations development system fast-tracks its efforts on operational coherence, efficiencies, and accountability, an internal reflection is needed system-wide in terms of policy coherence and fit for purpose in the context of the changes in the overall global environment and the new development cooperation landscape. The timing for this debate is right.

163. The momentum for change is strong. It is essential that these changes are pursued in a consultative and coherent manner for the United Nations development system to ensure the best fit for purpose.

²⁰ Report of the co-facilitators of the review of implementation of General Assembly resolution 61/16 (see A/67/975, annex) and "food for thought" conference room papers.

Annex I

Technical note on definitions, sources and coverage

1. Among the entities that constitute the United Nations development system there has been no commonly agreed definition of key terms such as "operational activities for development" and "contributions".
2. In the report, an effort is made to begin to address this shortcoming by defining operational activities for development as those activities of the United Nations development system entities that promote the sustainable development and welfare of developing countries and countries in transition. They cover both longer-term development-related activities and those with a humanitarian-assistance focus and relate to the work of those United Nations funds, programmes, specialized agencies, departments and offices that have a specific mandate in that regard. The data behind the analysis in the report and additional information on contributions for and expenditures on United Nations operational activities for development can be found on the web page of the quadrennial comprehensive policy review.^a
3. The specialized agencies have adopted coefficients to measure the share of assessed or regular budget contributions considered to be for operational activities for development based on consultations with OECD/DAC. For agencies such as UNIDO, WHO, ILO, UNESCO and FAO, this share is very significant (see table 1).

Table 1
Percentage of assessed or regular budget contributions defined as being for
United Nations operational activities for development

<i>United Nations entity</i>	<i>Percentage</i>
FAO	51
IAEA	33
ICAO	–
ILO	60
IMO	–
ITU	18
UNESCO	60
UNIDO	100
UNWTO	–
UPU	16
WHO	76
WIPO	3
WMO	4

4. Many United Nations entities do not use the terms "core" and "non-core" when classifying contributions. For system-wide reporting purposes, all the above terms are grouped under "core" and "non-core" resources, with the former referring

^a See www.un.org/en/development/desa/oesc/qcpr.shtml.

to unearmarked funding that is used at the sole discretion of the respective United Nations entity and its governing board and the latter meaning earmarked funding that is directed by donors towards specific locations, themes, activities and operations.

5. Harmonization of the terms "core" and "non-core" within the United Nations development system is difficult to achieve owing to the different business models adopted by funds, programmes and specialized agencies. Instead, a more pragmatic approach is proposed wherein the terms are mapped (see table 2) against those used in the report so that it is clear how they relate to one another.

Table 2
Terms used by entities for core and non-core contributions

Core	Entity	Non-core	Entity
Regular resources	UNDP, ^a UNCDF, UN-Women, UNV, UNICEF, UNFPA	Other resources	UNDP, UNCDF, UN-Women, UNV, UNICEF, UNFPA
Multilateral contribution	WFP	Directed multilateral contribution	WFP
Regular budget	UNRWA, Department of Economic and Social Affairs, UN-Habitat, UNCTAD, ITC	Projects and emergency appeals	UNRWA
Unearmarked contribution	UNHCR, ^a Office for the Coordination of Humanitarian Affairs, ^a IFAD, OHCHR	Earmarked contribution	IFAD, OCHA, UNEP, UN-Habitat, OHCHR
		Tightly earmarked	UNHCR, OECD/DAC
		Lightly earmarked	UNHCR, OECD/DAC
Environment Fund	UNEP ^a		
Core resources	UNAIDS, OECD/DAC	Extrabudgetary contribution	UNAIDS, UNCTAD, Department of Economic and Social Affairs, ITC, FAO, IAEA, ICAO, ILO, IMO, ITU, UNESCO, UNIDO, UPU, UNWTO, WIPO, WMO, ECA, ECE, ECLAC, ESCAP, ESCWA
General purpose fund	UNODC ^a	Special purpose fund	UNODC

Core	Entity	Non-core	Entity
Assessed budget	FAO, ICAO, ILO, ITU, UNESCO, UNIDO, UPU, UNWTO, WHO, WIPO, WMO, ECA, ECE, ECLAC, ESCAP, ESCWA	Voluntary contributions — core	WHO
Technical Cooperation Fund	IAEA, ^a IMO ^a	Voluntary contributions — specified	WHO
Core voluntary contributions account	WHO		

^a Also receives a regular budget contribution.

6. In compliance with General Assembly resolution 63/311, data on contributions and expenditures are obtained from the financial statistics database and reporting system that is managed by CEB.

7. In a few cases, data could not be obtained through the CEB financial database. Data on the contributions and expenditures of OHCHR and the Office for the Coordination of Humanitarian Affairs were gathered using their annual reports. Funding data for the Department of Economic and Social Affairs, UNCTAD, ITC and the five regional commissions were collected through a separate questionnaire. Data on multi-donor trust funds were obtained directly from the Multi-Partner Trust Fund Office gateway of UNDP.^b

8. The report includes several references to ODA when analyses are made to compare United Nations operational activities for development with other development assistance. Two versions of ODA (excluding debt relief) are being used, both as defined by OECD/DAC: ODA provided by OECD/DAC Governments only (2012: \$123.5 billion) and total ODA (2012: \$132.4 billion). Total ODA includes aid flows that are reported to OECD/DAC by non-member countries. It is understood that neither of the above versions of ODA captures all development cooperation.^c Data on official development assistance are derived from the Development Assistance Committee and the Creditor Reporting System data sets on OECD.Stat.^d

9. In the report, comparisons and trend analyses in real terms are based on amounts expressed in constant 2011 United States dollars by applying deflators published by OECD/DAC. The deflators take into account the combined effect of inflation and exchange rate movements.

10. Data on contributions refer to actual funding for operational activities for development received in a given calendar year from Governments and other public and private sources by organizations in the United Nations system. Data on resource transfers from one entity of the system to another are excluded wherever possible to

^b See <http://mptf.undp.org/>.

^c In this connection, the Secretariat estimates that private flows amounted to some \$25 billion and South-South development cooperation to between \$16.1 billion and \$19.0 billion in 2011, expanding the notion of total development cooperation already to some \$175 billion.

^d See www.oecd.org/dac/stats/idsonline.htm.

avoid double counting. Data on expenditures represent the support provided by the organizations of the United Nations system for operational activities for development in developing countries. Contributions and expenditures are expressed in current United States dollars, unless otherwise stated.

11. The designations employed and the presentation of the information in the report do not imply the expression of any opinion whatsoever on the part of the United Nations Secretariat concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. The term "country" as used in the report also refers, as appropriate, to territories or areas. A hyphen between dates representing years signifies the full period involved, including the beginning and end years.

Annex II

Quadrennial comprehensive policy review monitoring and reporting framework

Operative paragraph(s) of General Assembly resolution 67/226		Indicator	Source collection method	Frequency	Baseline	Target
II						
Funding of operational activities of the United Nations for development						
II.A. General principles						
1	24	Total funding for United Nations operational activities for development	CEB financial database and reporting system	Annual	\$23.879 billion	
2	11, 24	Percentage share of United Nations operational activities for development relative to total ODA	(a) CEB financial database and reporting system (b) OECD.Stat	Annual	17.0	
3	11, 24	Percentage share of United Nations operational activities for development relative to total multilateral ODA	(a) CEB financial database and reporting system (b) OECD.Stat	Annual	29.1	
4	24, 33, 77	Total funding from non-OECD/DAC countries (excluding local resources)	CEB financial database and reporting system	Annual	\$1.193 billion	
5	24, 33, 77	Percentage share of funding from non-OECD/DAC countries relative to total estimated global South-South cooperation flows (excluding local resources)	(a) CEB financial database and reporting system (b) International development cooperation report	Annual	9.1	

Operative paragraph(s) of General Assembly resolution 65/226		Indicator	Source collection method	Frequency	Baseline	Target
6	24, 37	Total funding received from non-State partners	CEB financial database and reporting system	Annual	\$5.946 billion	
7	24, 37	Percentage share of total funding for United Nations operational activities for development coming from non-State partners	CEB financial database and reporting system	Annual	24.9	
II.B. Enhancing overall funding, in particular core resources						
8	25, 33	Total core funding for United Nations operational activities for development	CEB financial database and reporting system	Annual	\$6.709 billion	
9	26, 29	Percentage core share of funding for development-related activities from Governments (excluding local resources)	CEB financial database and reporting system	Annual	45.9	
10	27, 28, 44	Percentage share of non-core resources for development-related activities channelled to pooled, thematic and joint-funding mechanisms applied at the global, regional and country levels	(a) CEB financial database and reporting system (b) Desk study	Annual	10.2	
11	118, 124 (g), 135, 141	Percentage of programme countries where more than 20 per cent of United Nations resources relate to joint programmes and are subject to pooled or pass-through and/or multi-donor trust fund management arrangements (as against parallel funding)	Resident coordinator and/or United Nations country team survey	Every two years	23.9	
12	35	Number of United Nations entities reporting to their governing bodies in 2014 on specific measures to broaden the donor base	(a) Department of Economic and Social Affairs headquarters survey (b) Annual reports of funds and programmes	One time (2014)		

<i>Operative paragraph(s) of General Assembly resolution 67/226</i>		<i>Indicator</i>	<i>Source collection method</i>	<i>Frequency</i>	<i>Baseline</i>	<i>Target</i>
13	39	Number of United Nations funds and programmes ^a that defined common principles for the concept of critical mass of core resources by 2014	(a) Department of Economic and Social Affairs headquarters survey (b) Annual reports of funds and programmes	One time (2014)		
II.C. Improving the predictability and quality of resources						
14	41	Number of United Nations entities consolidating all projected core and non-core resources within an integrated budgetary framework	Department of Economic and Social Affairs headquarters survey	Annual		
15	42	Percentage of United Nations country teams implementing a common budgetary framework at the country level	Resident coordinator annual report	Annual		
16	24, 33, 40	Percentage of top 10 donors of funds and programmes with core contributions changing by 20 per cent or more from the previous year	CEB financial database and reporting system	Annual		
17	46	Number of governing bodies of United Nations entities that held structured dialogues during 2014 on how to finance the development results agreed upon in the new strategic planning cycle	Agency annual reports, supplemented by Department of Economic and Social Affairs headquarters survey as needed	One time (2014)		
18 (a)	10, 11, 13, 19, 30	Percentage share of core country-level programme expenditures spent in least developed countries (excluding local resources)	CEB financial database and reporting system	Annual	56.5 (2011) 52.6 (2012)	

Operative paragraphs of General Assembly resolution 67/226		Indicator	Source collection method	Frequency	Baseline	Target
18 (b)		Percentage share of total country-level programme expenditures spent in least developed countries (excluding local resources)				
II.D. Ensuring full cost recovery						
19	47, 53	Number of United Nations entities having adopted harmonized cost-recovery frameworks by the end of 2013	Desk study	Annual		
20 (a)	43, 48, 51, 53	Percentage of total core expenditures on development-related activities by funds and programmes directed to programme activities	Agency annual reports	Annual	64.4 (2011)	
20 (b)		Percentage of total non-core expenditures on development-related activities by funds and programmes directed to programme activities			92.7 (2011)	
21 (a)	43, 48, 51, 53	Percentage of total core expenditures on development-related activities by specialized agencies and other United Nations entities directed to programme activities	Department of Economic and Social Affairs headquarters survey	Annual	69.1 (2011)	
21 (b)		Percentage of total non-core expenditures on development-related activities by specialized agencies and other United Nations entities directed to programme activities			83.1 (2011)	
22	54	Number of United Nations entities reporting on cost recovery amounts within their regular financial reporting	Agency annual reports, supplemented by Department of Economic and Social Affairs headquarters survey as needed	Annual		

Operative paragraph(s) of General Assembly resolution 67/226		Indicator	Source collection method	Frequency	Baseline	Target
III						
Contribution of United Nations operational activities to national capacity development and development effectiveness						
III.A. Capacity-building and development						
23	14, 57-63	Percentage of new UNDAF (or equivalent planning instruments) that substantively address national capacity development	Desk review by regional UNDG teams (Peer Support Group)			
24	57-63	Percentage of programme country Governments that strongly agree that the United Nations system has been effective in developing national capacity	Programme country survey	Every two years	24.1 in 2012	
25	64	Percentage of programme country Governments that strongly agree that the United Nations system uses national monitoring and reporting systems wherever possible	Programme country survey	Every two years	52.8	
26	64, 66	Percentage of countries that strongly agree that the United Nations system avoided using parallel implementation units wherever possible	Programme country survey	Every two years		
27	63	Common approach and framework to measure progress in capacity development results developed	UNDG/UNDAF Programming Network			
28	63	Average percentage of agency country offices using the common UNDG capacity measurement approach (when fully developed)	Agency annual reports, supplemented by Department of Economic and Social Affairs headquarters survey as needed			

<i>Operative paragraphs of General Assembly resolution 67/226</i>		<i>Indicator</i>	<i>Source/collection method</i>	<i>Frequency</i>	<i>Baseline</i>	<i>Target</i>
29	14, 15	Three dimensions of sustainable development reflected in strategic plans of UNDG members	Agency annual reports, supplemented by Department of Economic and Social Affairs headquarters survey as needed			
III.B. Poverty eradication						
30	70, 71	Percentage of new UNDAF that substantively address poverty eradication	Desk review			
31	19, 73	Percentage of programme country Governments that strongly agree that United Nations contributions to the eradication of multidimensional poverty and achievement of international development goals are significant	Programme country survey	Every two years	To be determined	To be determined
III.C. South-South cooperation and development of national capacities						
32	74, 77	Number of United Nations entities that integrate South-South cooperation into their strategic plans	Agency annual reports, supplemented by Department of Economic and Social Affairs headquarters survey as needed	Annual	To be determined	All

<i>Operative paragraphs of General Assembly resolution 67/226</i>		<i>Indicator</i>	<i>Source collection method</i>	<i>Frequency</i>	<i>Baseline</i>	<i>Target</i>
33	74, 77	Number of United Nations entities that actively report on South-South cooperation in their strategic plans	Agency annual reports, supplemented by Department of Economic and Social Affairs headquarters survey as needed	Annual	To be determined	100
34	74, 77	Percentage of new UNDAF or equivalents that substantively address South-South and triangular cooperation	Desk review	Annual	To be determined	100
III.D. Gender equality and women's empowerment						
35	81, 85, 88, 91	Percentage of new UNDAF that have specific results and resources for gender equality	Desk review by regional UNDG teams (Peer Support Group)	Annual	—	—
36	81, 82, 83, 85	Percentage of countries conducting the gender scorecard that meet minimum standards (rating 4) in at least half of the scorecard areas	To be determined (resident coordinator survey or resident coordinator annual report, UN-Women)	Annual	To be determined	—
37	86, 89	Number of United Nations entities that track and report on allocations and expenditures using gender markers	System-wide Action Plan on Gender Equality and the Empowerment of Women	Annual	To be determined	—
38	83, 90	Minimum set of gender indicators developed and endorsed by the Statistical Commission for system-wide use	—	One time	—	—

<i>Operative paragraph(s) of General Assembly resolution 67/225</i>		<i>Indicator</i>	<i>Source collection method</i>	<i>Frequency</i>	<i>Baseline</i>	<i>Target</i>
39	86, 92	Number of entities that have achieved gender balance among both General Service staff and high-level posts (P-4 and above)	System-wide Action Plan on Gender Equality and the Empowerment of Women	Annual	To be determined	
40	87	Status of the system-wide evaluation of the effectiveness, added value and impact of the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women	Joint Inspection Unit	One time (2016)		
III.E. Transition from relief to development						
41	93, 94	Percentage of new UNDAF that have effectively integrated disaster and climate risk	Desk review by regional UNDG teams (Peer Support Group)	Annual		
42	93, 94, 108-110	Percentage of programme countries that report biennially on progress in disaster risk reduction	United Nations Office for Disaster Risk Reduction	Annual		
43	104, 105	Number of countries in which agreements, arrangements or initiatives exist with key partners, including the Bretton Woods institutions, for response to crisis	Resident coordinator and/or United Nations country team survey or annual report	Annual		
44	107	Endorsement of standardized instruments by the Secretariat entities and the United Nations development system to support joint programming and business operations in countries with a United Nations mission present	Integration Steering Group, Department of Economic and Social Affairs headquarters survey	Annual		

<i>Operative paragraph(s) of General Assembly resolution 67/226</i>		<i>Indicator</i>	<i>Source collection method</i>	<i>Frequency</i>	<i>Baseline</i>	<i>Target</i>
45	102	Number of countries with country-led and inclusive mechanisms to coordinate support for national priorities for transition	Resident coordinator annual report	Annual		
IV						
Improved functioning of the United Nations development system						
IV.A. United Nations Development Assistance Framework						
46	4, 5, 7, 12, 21, 113, 114	Percentage of programme countries where a joint national steering committee (or similar group) conducted an annual UNDAF (or equivalent) review in the past 12 months	Resident coordinator and/or United Nations country team survey	Annual	36.7 (2012)	
47	130 (b), 171	Percentage of United Nations country teams that have submitted an UNDAF progress report to the national Government once in the past four years (and annually for "Delivering as one")	Resident coordinator annual report	Every two years	-	
48	9, 12	Percentage of programme country Governments that strongly agree that the United Nations is effective or highly effective in facilitating the participation of civil society and national non-governmental organizations in national development processes	Programme country Government survey	Every two years	To be confirmed	
49	9, 12, 20, 114, 124 (i)	Percentage of civil society organizations that strongly agree that the United Nations collaborates as much as possible with civil society and national non-governmental organizations	Civil society organization survey	Every four years	44.1 (2012)	

	Indicator	Source collection method	Frequency	Baseline	Target
50	5, 7, 12, 113, 115	Percentage of Governments that consider United Nations activities to be very closely or closely aligned with national needs and priorities	Programme country survey	Every two years	To be confirmed
51	18, 116	Percentage of Governments that are satisfied or very satisfied with the Organization's ability to provide access to relevant expertise from across the United Nations system, including non-resident agencies	Programme country survey	Every two years	To be confirmed
52	23, 58	Percentage of United Nations country teams that indicate that disaggregated data (i.e. on income level, gender, age, disability, minorities (ethnic, religious, language, etc.) and indigenous people) have been adequately used to inform the country analysis stage	Resident coordinator and/or United Nations country team survey		To be confirmed
53	23	Percentage of new UNDAF that include reference to needs of persons with disabilities in line with the UNDG guidance note on including the rights of persons with disabilities in United Nations programming at the country level	Desk review by regional UNDG teams (Peer Support Group)	Annual	
54	58	Percentage of United Nations country teams that have used the human rights-based approach as a programme principle in the new UNDAF	Desk review by regional UNDG teams (Peer Support Group)	Biennial	
55	14	Percentage of new UNDAF that include sustainable development as a strategic priority area in line with UNDG programming guidance	Desk review by regional UNDG teams (Peer Support Group)		

<i>Operative paragraph(s) of General Assembly resolution 67/226</i>		<i>Indicator</i>	<i>Source collection method</i>	<i>Frequency</i>	<i>Baseline</i>	<i>Target</i>
56	119	Number of United Nations entities that have simplified and harmonized agency-specific programming instruments (specify type of instrument)	Department of Economic and Social Affairs headquarters survey and agency annual reports			
57	117, 119	Number of months needed for the UNDAF preparation process	Department of Economic and Social Affairs headquarters survey			
58	117, 120	Percentage of programme country Governments that strongly or somewhat agree that there is a clear division of labour among United Nations agencies at the country level	Programme country survey		52.8 (2012)	
59	117	Percentage of programme country Governments that strongly agree that UNDAF or another United Nations planning framework has helped to improve focus on results	Programme country survey		47.7 (2012)	
60	121	Number of United Nations agencies that have aligned planning and budgeting cycles with the time frame of the quadrennial comprehensive policy review	Department of Economic and Social Affairs headquarters survey		To be confirmed	

IV.B. Resident coordinator system

			Development Operations Coordination	Annual
61	42, 124 (h), 130 (a), 130 (c), 131	Full implementation of the following elements of the management and accountability system:	Office collecting at the headquarters level and resident coordinator and/or United Nations country team survey and UNDP	
61 (a)		Percentage of United Nations entities that have revised the job descriptions of their United Nations country team members to recognize the role of the resident coordinator		
61 (b)		Percentage of United Nations entities recognizing reporting obligations to the resident coordinator on resource mobilization and programme implementation performance of any UNDAF/"One United Nations programme" elements led by the agency		
61 (c)		Percentage of United Nations entities that have included resident coordinator input in the performance appraisal system for United Nations country team members		
61 (d)		Percentage of United Nations entities that have included results of United Nations country teams in the performance appraisal system for agency representatives		
61 (e)		Percentage of UNDP country directors that have signed delegation of authority letters, including for resource mobilization, with resident coordinators/resident representatives		

<i>Operative paragraphs of General Assembly resolution 67/226</i>		<i>Indicator</i>	<i>Source collection method</i>	<i>Frequency</i>	<i>Baseline</i>	<i>Target</i>
62	124	Percentage of resident coordinators who are female	Development Operations Coordination Office collecting data	Annual		
63	124	Percentage of resident coordinators from programme countries	Development Operations Coordination Office collecting data	Annual		
64	125	Percentage of Governments that are of the view that United Nations staff (heads of agencies) have the right mix of capacities and skills, including for high-quality policy and programme advice, and the highest standards of leadership skills	Programme country survey	Every other year		
65	128	Number of United Nations entities fully implementing the cost-sharing arrangement	Development Operations Coordination Office financial management system	Annual		
66	128	Proposal on funding modalities of the resident coordinator system submitted to the Economic and Social Council and the General Assembly in 2013	UNDG	One time (2013)		
67 (a)	128	Contributions in cash provided to the resident coordinator system	Development Operations Coordination Office (fund management) and agency annual reports	Annual		

<i>Operative paragraph(s) of General Assembly resolution 67/226</i>		<i>Indicator</i>	<i>Source collection method</i>	<i>Frequency</i>	<i>Baseline</i>	<i>Target</i>
67 (b)		Contributions in kind provided to the resident coordinator system	To be confirmed	To be confirmed		
68	124 (a), 124 (b), 127 (c)	Resident Coordinator Assessment Centre reviewed and improved with the ultimate goal of bringing in high-calibre leaders	Development Operations Coordination Office	One time		
69	124 (j)	Percentage of United Nations country teams by agency with very adequate delegated authority to make decisions on behalf of their agency	Resident coordinator and/or United Nations country team survey	Annual		
IV.C. "Delivering as one"						
70	134	Number of "Delivering as one" countries	Resident coordinator and/or United Nations country team survey or Resident coordinator annual report	Annual	To be determined	
71	134	Number of countries applying components of the standard operating procedures	Resident coordinator annual report	Annual		
72	130 (b)	Percentage of countries with an annual United Nations country results report	Resident coordinator annual report			
73	138	Percentage of programme countries that considered adopting the "Delivering as one" approach that were satisfied with information provided to them by the resident coordinator/United Nations country team to enable them to take an informed decision on the approach	Programme country survey			

Operative paragraph(s) of General Assembly resolution 67/226		Indicator	Source/collection method	Frequency	Baseline	Target
74	141	Number of resident coordinators/United Nations country teams that state with regard to the "Delivering as one" approach that they have received effective support from headquarters	Resident coordinator and/or United Nations country team survey			
75 (a)	137	UNDG approved a headquarters plan of action to address challenges and bottlenecks, in particular at the headquarters level, which prevent the United Nations country teams in the "Delivering as one" countries from fully utilizing the efficiency gains under the "Delivering as one" approach	Development Operations Coordination Office			
75 (b)		UNDG implemented a headquarters plan of action to address challenges and bottlenecks, in particular at the headquarters level, which prevent the United Nations country teams in the "Delivering as one" countries from fully utilizing the efficiency gains under the "Delivering as one" approach			2014	
76	143 and Economic and Social Council resolution 2013/5	Options for the review and approval of the common country programme documents of the "Delivering as one" countries presented to the Economic and Social Council in 2014				
IV.D. Regional dimensions						
77	146, 147	Number of joint regional coordination mechanisms/regional UNDG teams common positions (papers) to advocate key development issues	Regional coordination mechanisms/regional UNDG teams workplans and reports	Annual		

<i>Operative paragraph(s) of General Assembly resolution 67/226</i>		<i>Indicator</i>	<i>Source collection method</i>	<i>Frequency</i>	<i>Baseline</i>	<i>Target</i>
78	148, 149	Percentage of United Nations country teams that strongly agree with the statement that the Peer Support Group provides added value to the formulation of UNDAF	United Nations country team/resident coordinator survey	Annual		
79	146-150	Percentage of resident coordinators or United Nations country teams stating that regional coordination mechanisms provide effective support on highest-priority regional or subregional issues of relevance to the country	Resident coordinator and/or United Nations country team survey			
80	146-150	Percentage of resident coordinators or United Nations country teams stating that regional UNDG teams provide effective support on the highest-priority regional or subregional issues of relevance to the country	Resident coordinator and/or United Nations country team survey			
81	146-150	Percentage of resident coordinators/United Nations country teams stating that regional commissions provide effective support on the highest-priority regional or subregional issues of relevance to the country	Resident coordinator and/or United Nations country team survey			
IV.E. Simplification and harmonization of business practices						
82	161	UNDG strategy developed by the end of 2013 to support the establishment of common premises in programme countries that wish to adopt them	UNDG reporting (Task Team on Common Premises)			
83	152	Plan for consolidated common support at the country level submitted to governing bodies in 2014, including in the areas of financial management, human resources, procurement, information and communications technology and other services	Agency annual reports			

Operative paragraph(s) of General Assembly resolution 67/226		Indicator	Source collection method	Frequency	Baseline	Target
84	155	Plan for the system-wide harmonization of regulations and rules, policies and procedures in all functional areas of business operations presented by the High-level Committee on Management and UNDG for review by the Economic and Social Council by the end of 2014	UNDG/High-level Committee on Management to report			
85	159	Proposal on the common definition of operating costs and a common and (standardized) system of cost control presented in 2014	Agency annual reports, supplemented by Department of Economic and Social Affairs headquarters survey as needed			
86	156	Percentage of countries with 25 per cent or more of the annual United Nations-financed procurement volume performed by the Government	Operations Management Team survey			
87 (a)	160	Report on feasibility study for establishing interoperability of enterprise resource planning systems undertaken	High-level Committee on Management reporting	One time		
87 (b)	160	Report on progress to achieve full interoperability of enterprise resource planning systems in 2016	High-level Committee on Management reporting	One time (2016)		
88 (a)	152, 154	Number of countries implementing common services	Resident coordinator annual report and agency annual reports	Annual		
88 (b)		Number of countries implementing common long-term agreements				

Operative paragraph(s) of General Assembly resolution 67/226		Indicator	Source collection method	Frequency	Baseline	Target
88 (c)		Number of countries implementing a harmonized approach to procurement				
88 (d)		Number of countries implementing common human resources management				
88 (e)		Number of countries implementing information and communications technology services				
88 (f)		Number of countries implementing financial management services				
89	64, 152	Percentage of countries that are fully compliant with the harmonized approach to cash transfers	Harmonized Approach to Cash Transfers Advisory Committee	Annual		
90	153	Number of United Nations entities that presented plans to their governing bodies for intra-agency rationalization of business operations by the end of 2013	Agency annual reports			
IV.F. Results-based management						
91	171	Percentage of non-“Delivering as one” United Nations country teams producing annual results reports	Resident coordinator and/or United Nations country team survey			
92	166, 168	Number of United Nations entities using common results-based management tools and principles as identified in the UNDG Results-based Management Handbook for Country Programming	Department of Economic and Social Affairs headquarters survey			
93	170	Number of United Nations entities that have prepared clear and robust results frameworks for strategic plans for implementation in 2014	Desk review of strategic plans and country programme documents			

Operative paragraphs of General Assembly resolution 67/226		Indicator	Source collection method	Frequency	Baseline	Target
94	172	Results-based management and system-wide results reporting across the United Nations system reviewed by 2016	Joint Inspection Unit			
95 (a)	166	Average percentage share of total personnel at the country level dedicated to results-based management and monitoring and evaluation	Resident coordinator annual report			
95 (b)		Average percentage share of total personnel in the headquarters-level office dedicated to results-based management and monitoring and evaluation	Department of Economic and Social Affairs headquarters survey			
IV.G. Evaluation of operational activities for development						
96	173	Number of entities that have an evaluation tracking system that includes the status of implementation of evaluations and management responses	Department of Economic and Social Affairs headquarters survey	Annual		
97	181	Policy for independent system-wide evaluation developed and proposal for pilot system-wide evaluation submitted for discussion by the Economic and Social Council in 2013	Economic and Social Council report/update	One time (2013)		
98	175	Percentage of programme countries that strongly agree that the United Nations has contributed to the strengthening of national evaluation capacity	Department of Economic and Social Affairs programme country survey	Every two years		
99	182	Percentage of new UNDAF evaluations for which management response was prepared	Resident coordinator annual report	Annual		

^a In the context of this framework, and while recognizing that it is a United Nations entity that is neither a fund nor a programme, UN-Women is classified under "United Nations funds and programmes".